



Ghana Banking Survey Report



August 2026

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Financial Services Industry Leader's message

Ghana's banking industry has demonstrated remarkable resilience through one of the most challenging economic periods in recent history. Against a backdrop of elevated inflation, currency volatility, rising interest rates, and broader macroeconomic uncertainty, banks have continued to support economic activity, preserve financial system stability, and deliver strong financial performance. As the macroeconomic environment stabilises and interest rates trend downward, the industry finds itself at another important inflection point.

One shaped by improving conditions but still exposed to inflation, exchange-rate, fiscal and borrower-level pressures. While lower rates are expected to stimulate investment, improve credit affordability, and support private sector growth, they also raise a fundamental strategic question for banking leaders: how can banks sustain growth and profitability when one of their most significant sources of earnings comes under pressure?

This question sits at the heart of this year's PwC banking industry dialogue.

For many years, interest-related income has been the dominant driver of banking sector revenues in Ghana, accounting for approximately 70% of total industry income. The current rate environment therefore presents more than a cyclical challenge; it provides an opportunity to reassess long-held assumptions about growth, profitability, and value creation within the sector. Our analysis suggests that while loan growth has historically been the industry's primary response to declining rates, this strategy alone may not be sufficient to sustain future performance. Experience has shown that periods of rapid credit expansion can introduce heightened asset-quality risks, particularly when growth outpaces improvements in risk management, underwriting discipline, and credit infrastructure. The challenge for banks is therefore not simply to grow, but to grow sustainably.



Kingsford Arthur
Financial Services Leader
kingsford.arthur@pwc.com

Equally important is the question of how capital is allocated across the economy. Credit remains concentrated within a relatively narrow set of sectors, despite the significant opportunities that exist in areas such as agriculture, manufacturing, agro-processing, and other productive industries capable of accelerating economic transformation. Ghana's banks stand ready to support these priority sectors with financing and tailored financial solutions. However, a stronger and more sustained flow of capital into these areas will require clear market signals from Government through the deliberate channelling of public spending, incentives, and investment towards identified national priorities. Such signals can help catalyse private sector participation, strengthen investor confidence, and improve risk-reward dynamics. In turn, banks can deepen their support through innovative product design, stronger risk-sharing mechanisms, enhanced customer engagement, and broader collaboration across the financial ecosystem.

These themes featured prominently in conversations with banking executives, business leaders, policymakers, and regulators during our industry engagements. While perspectives differed on specific priorities, there was broad consensus on several important issues.

Stakeholders overwhelmingly viewed a stable and predictable low-interest-rate environment as positive for economic growth. Lower borrowing costs improve investment returns, support business expansion, and create opportunities for greater private sector participation in economic development. At the same time, many acknowledged that the pace of the recent decline in rates has intensified pressure on margins, requiring banks to adapt their operating and revenue models more quickly than in previous cycles.

Participants highlighted persistent structural challenges within the credit ecosystem. High default rates, lengthy recovery processes, policy uncertainty, and information asymmetries continue to influence lending decisions and credit pricing. Addressing these challenges will require coordinated action among financial institutions, regulators, policymakers, credit infrastructure providers, and the judiciary to strengthen credit discipline and improve the overall efficiency of the lending environment.





There was strong recognition that the future competitiveness of banks will increasingly depend on their ability to diversify revenue streams beyond traditional interest income. Transaction banking, wealth and advisory services, payments, ecosystem partnerships, embedded finance solutions, and other fee-based offerings are expected to play an increasingly important role in sustaining profitability and shareholder value.

Underlying all these discussions was the growing importance of technology as a strategic enabler. Digital platforms, data-driven decision-making, process automation, advanced analytics, and collaboration with fintechs are creating opportunities for banks to improve customer experience, enhance operational efficiency, strengthen risk management, and unlock new sources of revenue. As customer expectations continue to evolve, the ability to innovate at scale will become an increasingly important differentiator.

The future of banking in Ghana will not be defined solely by the direction of interest rates. Rather, it will be shaped by how effectively institutions respond to change, reimagine their business models, strengthen resilience, and create value in an increasingly dynamic and competitive environment.

At PwC, we believe that periods of transition often present the greatest opportunities for transformation. We remain committed to bringing together local and global perspectives to help shape the future of Ghana's financial services sector. Today's environment offers banking leaders an opportunity to rethink traditional growth models, redefine sources of competitive advantage, and build organisations that are more agile, more customer-centric, and more resilient across economic cycles. It is in this context that we present "When Rates Recede".

We are grateful to the Bank of Ghana, the Ghana Association of Banks (GAB), the Ghana Union of Traders' Associations (GUTA), the Association of Ghana Industries (AGI), banking leaders, and other stakeholders whose insights and contributions enriched the discussions. Their perspectives highlighted the opportunities for innovation, diversification, and transformation that will shape the sector's next chapter.

We trust the insights and reflections captured in this report will inspire meaningful action and support strategic decision-making across the banking industry.

We invite you to explore the key discussions and takeaways from this year's Banking Forum.

Message from Ghana Association of Banks

Over the past few years, Ghana's banking industry has navigated one of the most challenging operating environments in recent memory. The 2022 macroeconomic crisis placed significant pressure on the financial sector, as high inflation, currency depreciation, tight liquidity conditions and rising sovereign risk converged at the same time. By December 2022, inflation had reached 54.1%, the 91-day Treasury bill rate stood at 35.5%, and the average lending rate had increased to 35.6%. Gross international reserves had declined to 2.7 months of import cover, while public debt had risen to 93.5% of GDP by November 2022. The Domestic Debt Exchange Programme that followed was introduced to support debt sustainability, but it also required banks to absorb significant valuation and capital pressures, intensify balance-sheet repair and operate under an exceptionally high-interest-rate regime. The resulting pressure was reflected in sector profitability, with return on assets and return on equity falling from 4.5% and 20.6% at the end of 2021, to 3.1% and 14.6%, respectively, at end-2022.

The operating context is now changing materially. Inflation fell to 5.3% by June 2026; the policy rate declined to 14.0%, the 91-day Treasury bill rate to 5.3%, the Ghana Reference Rate to 10.0% and the average lending rate to 15.6%. The reported public debt ratio declined to 44.7% of GDP by end-2025 and stood at 45.1% in May 2026. Banking-sector profitability also recovered to an ROA of 5.7% and an ROE of 30.8% at end-2025, before moderating to 4.4% and 22.9%, respectively, by June 2026 as interest margins normalised. Economic activity has strengthened, with GDP expanding by 6.0% in 2025 and 6.4% year-on-year in the first quarter of 2026, while gross international reserves rose to 5.0 months of import cover. Ghana's completion of the USD3bn IMF-supported Extended Credit Facility, followed by a 36-month non-financing Policy Coordination Instrument, therefore represents a pivotal transition from crisis to stabilisation to the more demanding task of consolidating credibility, sustaining reform and converting macroeconomic gains into durable private-sector growth and job creation.



John Awuah
Chief Executive Officer
Ghana Association of Banks

The next phase of banking sector growth in Ghana will be shaped not only by balance sheet strength, but by the industry's ability to generate sustainable and diversified revenue streams. As interest rates decline and macroeconomic conditions stabilise, banks are entering a new operating environment in which traditional sources of earnings may no longer deliver the same levels of profitability experienced in recent years.

This transition presents both opportunities and challenges. Improved economic stability and lower policy rates are expected to stimulate investment, expand access to credit, and support economic growth. However, the findings presented at this forum highlight an important reality: Interest income continues to account for nearly 70% of industry revenue in Ghana's banking sector. As rates recede, traditional sources of profitability will come under increasing pressure, requiring banks to rethink how value is created and sustained.

The discussions at this year's forum underscore the need for a strategic shift. Future growth will be driven not simply by expanding loan books, but by building more diversified, transaction-led and ecosystem-driven business models.

Diversification is no longer simply a growth strategy; it is increasingly a resilience strategy. Institutions that develop strong fee-based, transaction-led and ecosystem-driven revenue streams will be better positioned to navigate fluctuations in interest rate cycles while continuing to support customers and shareholders alike.

At the same time, we must remain vigilant in managing risk. Historical trends remind us that periods of rapid credit expansion are often followed by increases in non-performing loans. As institutions pursue growth opportunities in a lower-rate environment, maintaining strong underwriting standards, enhancing credit monitoring, and leveraging technology to improve risk management will be critical to preserving the stability of our financial system.



A woman with dark curly hair, wearing a red button-down shirt, is seated at a desk, looking at a laptop. The background features a large window with a black frame, looking out onto a brick building. The scene is brightly lit, suggesting a modern office environment.

Encouragingly, Ghanaian banks are not approaching this transition from a position of weakness. The sector is operating against a backdrop of improving economic indicators, stronger confidence levels, favourable external balances, and growing investor optimism. These developments provide a platform upon which banks can innovate, expand financial inclusion, and support the productive sectors that will drive Ghana's long-term transformation.

As an Association, we believe the next chapter of banking in Ghana will be defined by adaptability, collaboration, and innovation. Success will belong to institutions that embrace change, harness data and technology responsibly, strengthen customer relationships, and develop sustainable sources of revenue beyond traditional interest-based activities. The objective is not merely to protect profitability, but to create a banking sector that is more resilient, inclusive, and capable of supporting national development.

The future competitiveness of Ghana's banking industry will be determined not only by the strength of its balance sheets, but by its ability to innovate, diversify and create value beyond traditional lending activities. As an Association, we remain committed to working with regulators, policymakers, financial institutions and other stakeholders to foster an environment that supports innovation, enhances financial inclusion and enables sustainable industry growth. Together, we can build a banking sector that is more resilient, diversified and better positioned to support Ghana's long-term economic transformation.

We commend PwC Ghana for once again providing a valuable platform for industry dialogue and for shedding light on the strategic priorities that will shape the future of banking in Ghana. As the industry adapts to a changing operating environment, we remain confident that Ghanaian banks possess the resilience, innovation, and leadership required to build a more diversified, sustainable, and future-ready business models.

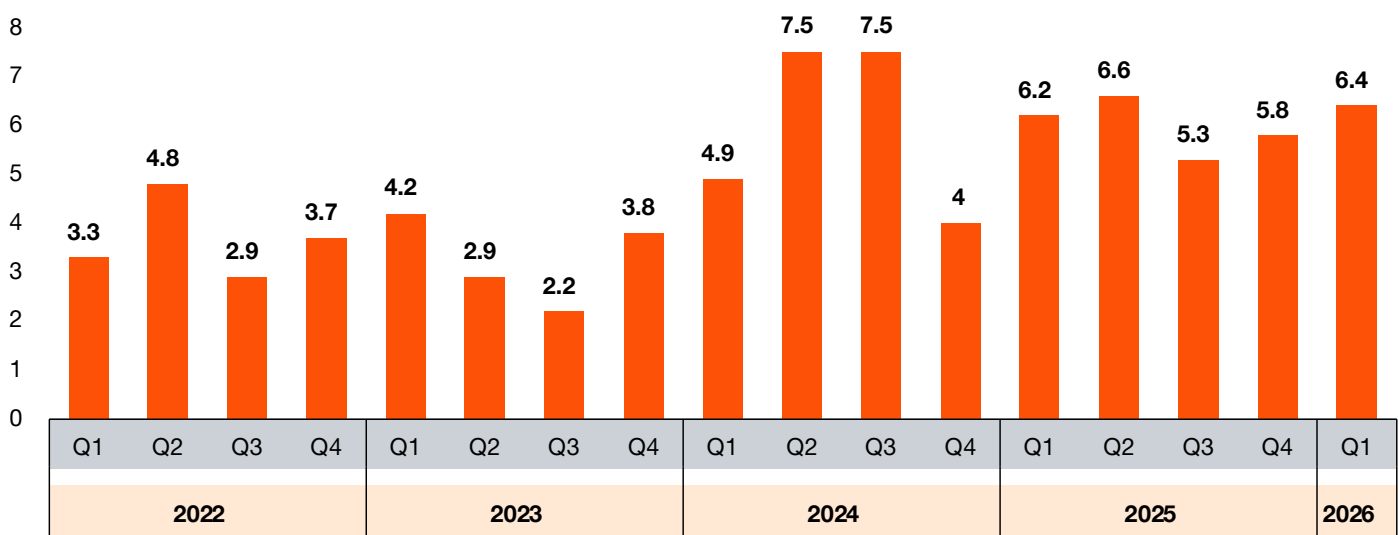
01

Overview of the economy of Ghana



GDP growth rate

GDP growth rates (%)



Source: Ghana Statistical Services (GSS)

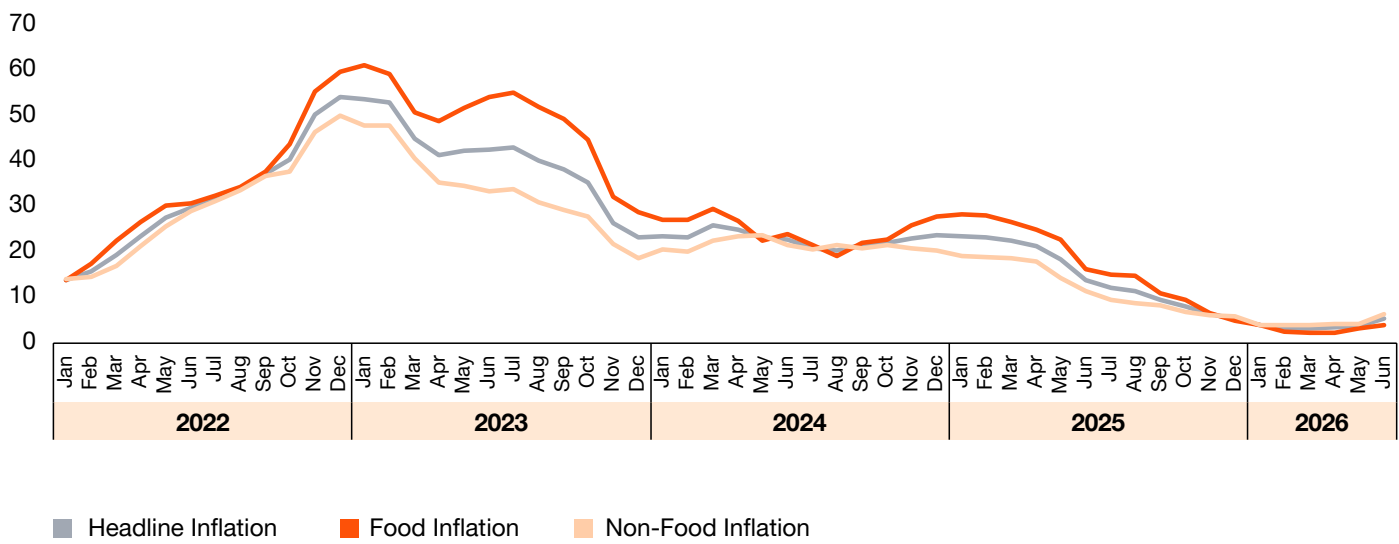


Ghana’s economy maintained strong momentum in Q1 2026, with GDP growth estimated at 6.4%, up from 6.2% in Q1 2025. Growth was broad-based, with non-oil GDP expanding by 6.3%, reflecting improving economic resilience beyond the extractive sector.

Services remained the key growth driver, led by strong gains in ICT, trade, and transport, while industrial activity benefited from a recovery in mining and oil and gas production. Looking ahead, the outlook remains positive, supported by strengthening macroeconomic fundamentals and sustained expansion in the services sector. However, continued external pressures such as the ongoing blockade of the Strait of Hormuz and other global disruptions could derail Ghana’s recent economic gains and weaken GDP growth.

Ghana inflation dynamics

Ghana's inflation dynamics (%)



Source: Ghana Statistical Services (GSS)

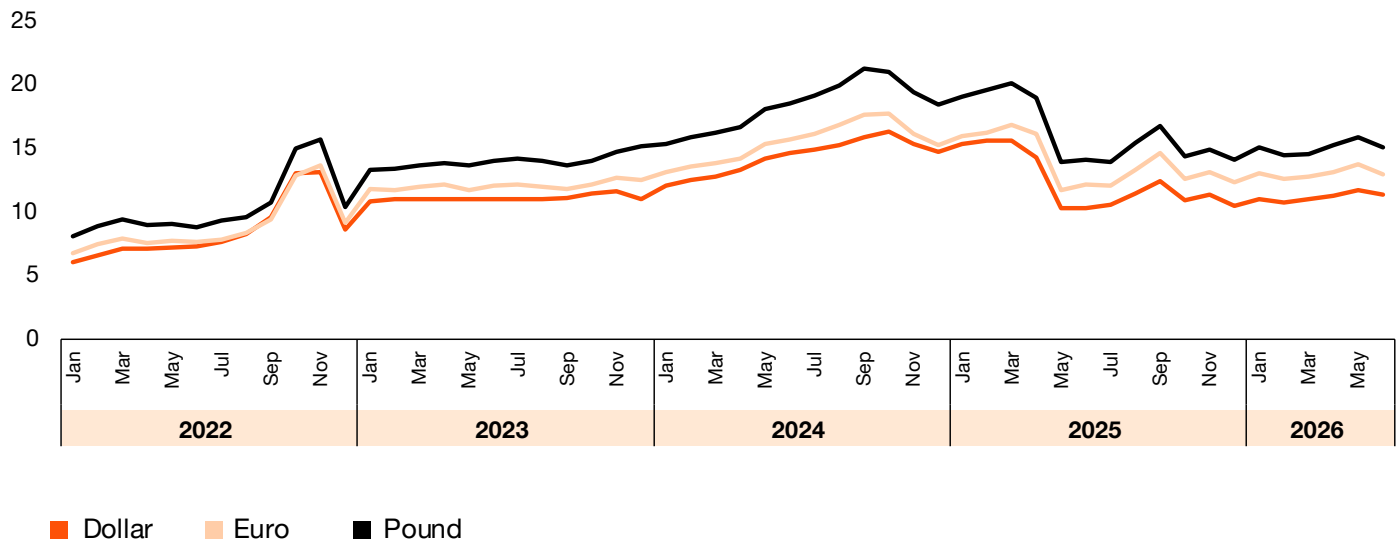


Inflationary pressures edged up in June 2026, with headline inflation rising to 5.3% from 3.7% in May. Despite the increase, inflation remains well within the Bank of Ghana’s target range, signalling that overall price pressures remain contained.

The uptick was driven mainly by non-food inflation, led by transport, which contributed 10.5% of headline inflation as higher global oil prices, partly linked to the Strait of Hormuz disruption - raised domestic fuel and logistics costs. Rents and school fees also contributed 8.4% and 7.4% respectively, reflecting to some extent spillover effects from higher fuel and utility costs on operating and service delivery expenses. Looking ahead, maintaining exchange rate stability and managing domestic cost pressures will be key to preserving recent gains in price stability and supporting macroeconomic stability.

Exchange rate

Exchange rates dynamics (GHS/ \$)



Source: Bank of Ghana (BoG)

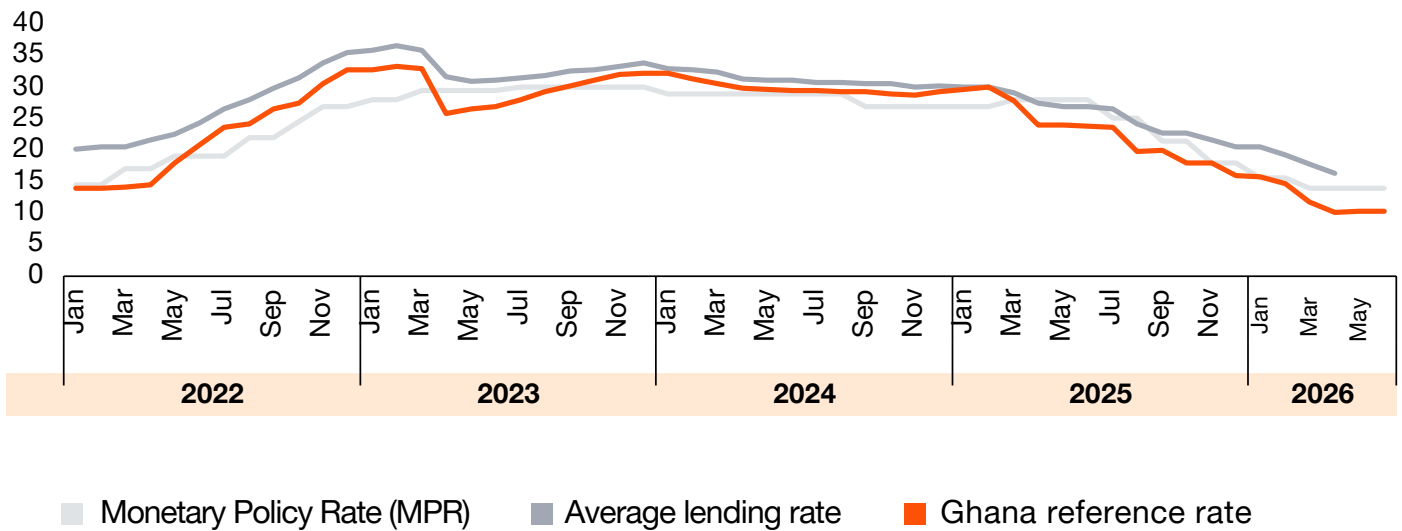


The Ghana cedi came under pressure in the first half of 2026, depreciating against the USD, EUR, and GBP. The Ghana cedi declined from GHS10.95/USD in January to GHS11.73/USD in May, before recovering to GHS11.35/USD in June. The rebound was supported by the Bank of Ghana's intensified foreign exchange interventions, which injected over USD2.0bn into the market to improve liquidity and stabilise the currency.

These measures helped the cedi record a 3.3% appreciation against the US dollar in June 2026 its first monthly gain of the year while restoring confidence in the foreign exchange market. Looking ahead, sustaining exchange rate stability will be critical to containing inflationary pressures, supporting business confidence, and preserving macroeconomic stability.

Interest rates

Interest rates dynamics (%)



Source: Bank of Ghana (BoG) | Ghana Association of Bankers (GAB)



The sharp decline in inflation to a historic low of 3.2% in March 2026 created room for monetary easing, prompting the Bank of Ghana to reduce the policy rate to 14.0%. This was accompanied by a significant decline in market rates, with the Ghana Reference Rate (GRR) falling from 15.68% in January 2026 to 10.02% in June 2026, while commercial lending rates eased to 16.33% in April 2026 (data points for May and June 2026 not publicly available as at the date of this report).

However, the rebound in inflation to 5.3% in June 2026 led the Bank of Ghana to pause further rate cuts and maintain the policy rate at 14.0%, reflecting concerns over emerging inflation and exchange rate risks. While price pressures remain contained by historical standards, the Bank is expected to adopt a cautious stance as it balances growth objectives with the need to preserve price and currency stability.

02

When rates recede: why Ghana's banks must reinvent to thrive



Falling interest rates are a welcome sign of Ghana's economic recovery. Yet for a banking industry that derives nearly 70% of its revenue from interest income, the new environment presents a strategic challenge. The institutions that prosper may be those that reinvent their business models before margin compression becomes a permanent reality. Ghana's return to macroeconomic stability is one of the most significant economic developments in recent years. Inflation has fallen dramatically from the crisis-era highs of 2022, the Ghana cedi has stabilised, Treasury bill yields have dropped sharply, and BoG has embarked on an aggressive monetary easing cycle.

For businesses and households, these developments are positive. For banks, however, the picture is more complex. The central question is no longer whether rates are falling. It is whether Ghana's banks can continue creating value in a world where high interest rates are no longer doing most of the heavy lifting.

For years, elevated rates provided a favourable environment for banks. Lending margins remained attractive, government securities generated substantial returns, and interest-linked income supported strong profitability. The recent decline in interest rates, driven by Ghana's economic recovery, suggests that this model may now be under pressure. The sharp decline in the Monetary Policy Rate (MPR) from 30% in July 2025 to 14% by April 2026, resulting in an equally sharp reduction in the Ghana Reference Rate (GRR) and average lending rates, signals a structural change in the operating environment. The issue facing bank leaders is to decipher whether the current cycle is merely temporary or marks the beginning of a fundamentally different era.

A recovery that changes the rules

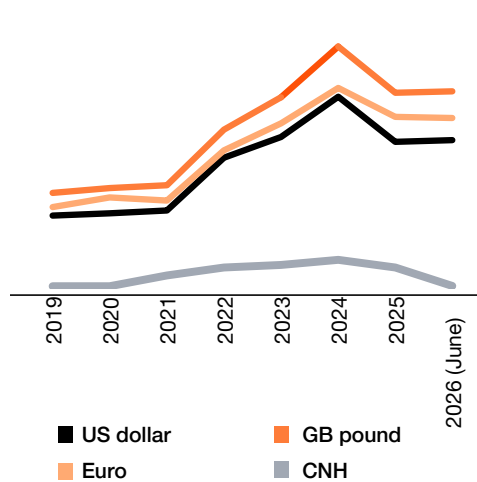
The macroeconomic recovery has been remarkable. Headline inflation, which exceeded 54% in December 2022, had eased to 23.5% in January 2025. Over the course of 2025, inflation declined by 1,810 basis points to 5.4% in December 2025. Headline inflation declined during the first five months of 2026, reaching 3.2% in March. However, inflation rose for three consecutive months thereafter, increasing to 5.3% in June. Despite the recent uptick, inflation remains within the Bank of Ghana's target range.

The 364-day Treasury bill rate fell from about 30.4% at the end of January 2025 to 14.4% by December 2025 and decreased further to 12.9% in July 2026. The Ghana cedi also strengthened significantly. After closing January 2025 at GHS15.30/USD1, it appreciated to GHS10.45/USD1 by December 2025 but has depreciated moderately to GHS11.35/USD1 in June 2026.

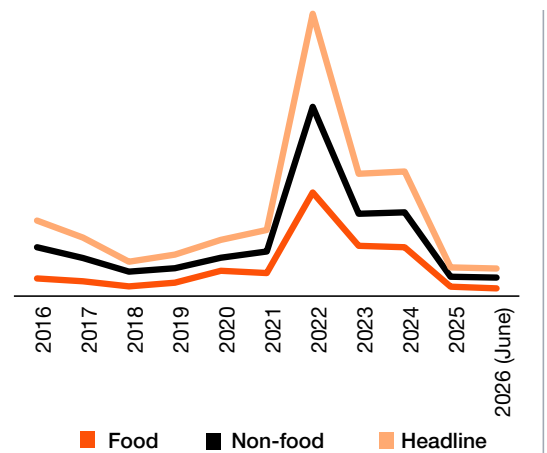
Ordinarily, this would be viewed as unambiguously positive. Lower inflation improves purchasing power. Lower borrowing costs encourage investment. A more stable currency reduces uncertainty. Yet these same positive developments create pressure on banks. As benchmark rates decline, yields on loans and investments also fall. Margin compression becomes increasingly difficult to avoid. This explains why the banking industry is paying close attention to the current interest-rate cycle.

A recovery that changes the rules

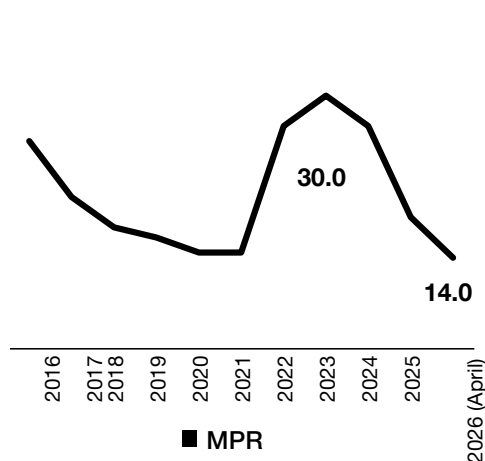
GHS exchange rates
(Annual averages)



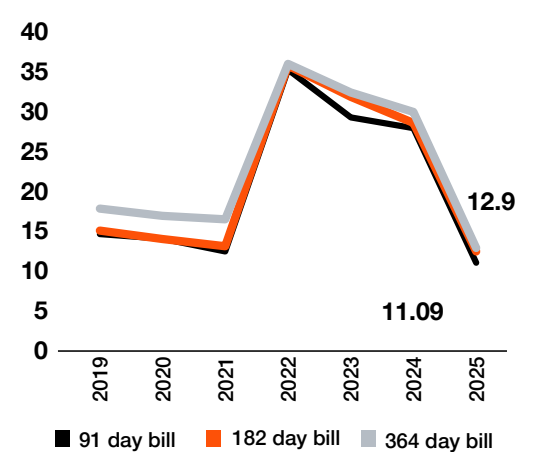
Inflation, period end (%)



Monetary Policy Rate (%)



Treasury bill rates (%)



Source: Bank of Ghana

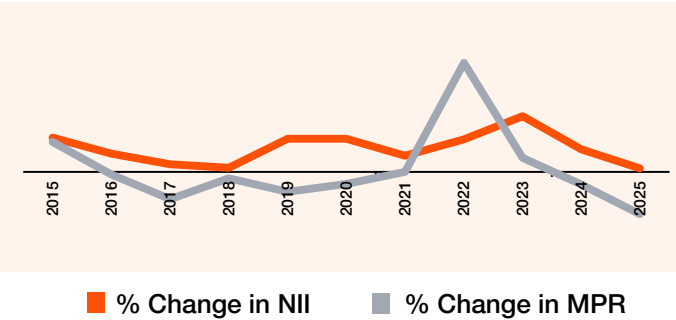
The profitability challenge

Historical banking data reveals a strong relationship between monetary policy movements and industry performance. Changes in the policy rate typically flow through to lending rates, net interest income, net interest margins and ultimately profitability. When rates rise, industry earnings tend to benefit. When rates fall, revenue growth slows and margins weaken. Our analysis of the data suggests that movements in the MPR reverberate throughout banks' profit and loss statements with varying degrees of intensity and timing.

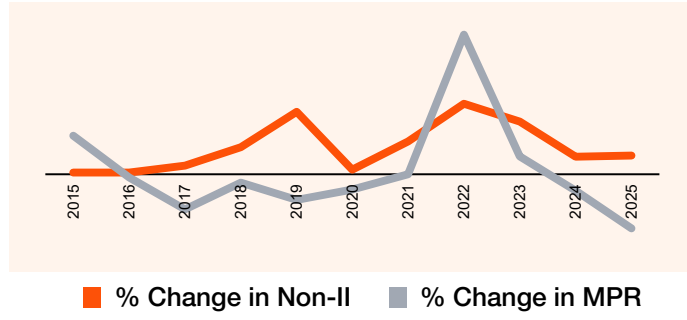
As the MPR rose from 14.5% in 2021 to 30.0% in 2023, growth in Net Interest Income (NII) accelerated from 12.9% to 44.1%, while Net interest Margins (NIM) strengthened from 6.5% to 19.8%. During the same period, Non-Interest Income growth increased from 20.4% to 32.6%, and pre-tax profits rebounded strongly from the DDEP-induced decline in 2022 to growth of 247.8% in 2023.

In 2024, MPR declined to 27.0% and further to 18.0% in 2025, growth in NII slowed to 17.8% and 2.8%, respectively, while NIM fell to 0.3% in 2024 before contracting by 8.5% in 2025. Non-interest income growth also moderated to approximately 11%, even as salary and wage costs continued to increase by 29.3% in 2024 and 13.8% in 2025.

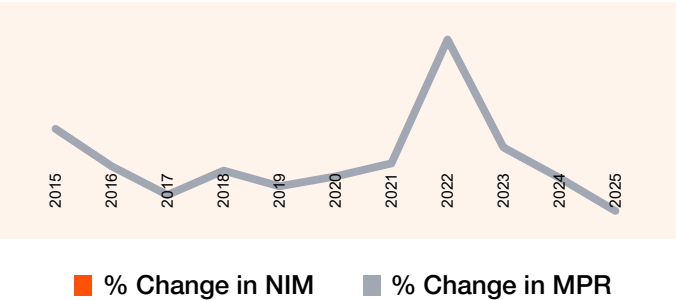
Net interest income



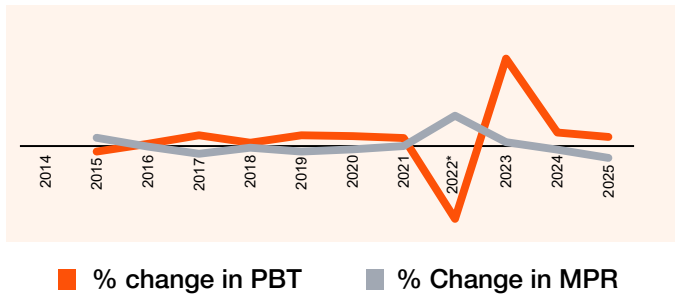
Non-interest income



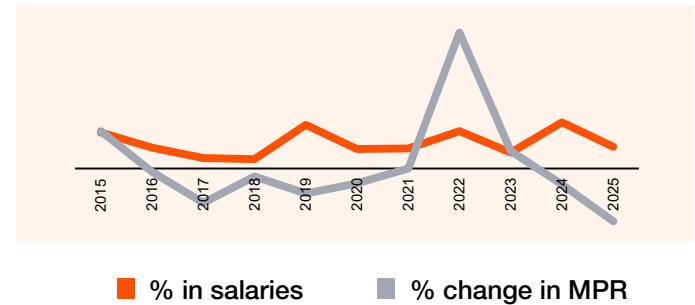
Net Interest Margin (NIM)



Salaries and wages



Pre-tax profits



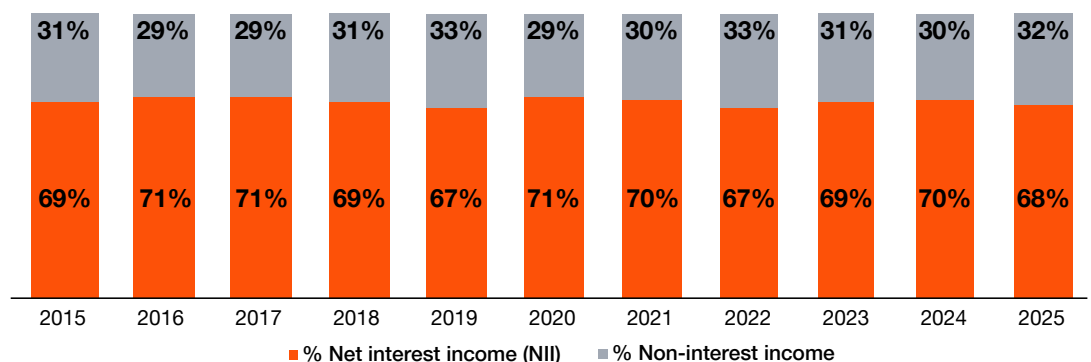
* The deep fall in % change in PBT in 2022 was due to the DDEP.

An industry built around interest income

Our analysis suggests that despite significant market changes, the revenue model of Ghana's banking industry has evolved only modestly. The proportion of non-interest income has remained a small, constant share of banks' revenues over time. The bank reporting the highest non-interest income-to-total income ratio for 2025—Ecobank—earned 48% of its total income from non-interest sources.

Banking activity continues to revolve around lending, investments and interest-bearing assets. Industry revenue patterns reveal a business model anchored primarily on traditional balance sheet activities. This dependence becomes even more apparent when examining asset allocation trends. Over the past decade, banks have simply shifted resources from one interest-yielding asset class to another to reflect their changing appetite for risk. For instance, during the 2016-2021 period of lower MPR, banks reduced the share of loans from 56% to 38% and increased investments from 36% to 60%. As MPR rose between 2021 and 2023, the share of loans increased from 38% to 43%. However, when MPR declined again between 2023 and 2025, banks once more shifted toward investments, with the share of loans falling from 43% to 38% and investments increasing from 53% to 55%.

Share of NII and Non-interest income



“Banks have become very comfortable with the high-interest-rate world. Now they must prepare for a low-interest-rate world of commercial intermediation.”

Prof. Festus Turkson, Associate Professor
Department of Economics at the University of Ghana

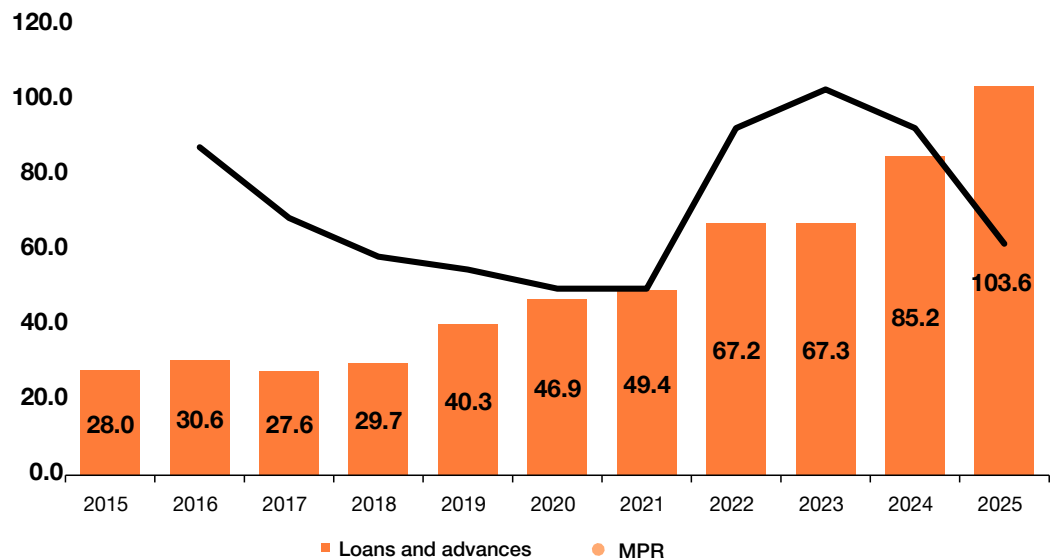


Loan growth as a profit shield

Historically, banks have responded to falling rates by growing their loan books. The logic is straightforward. If margins shrink, increase volumes. Industry data indicates that this strategy has worked reasonably well during previous easing cycles. During the 2016-2021 easing cycle, the MPR declined by 11%, from 25.5% to 14.5%, while the industry's loan book expanded by 61.4%. Pre-tax profit during that period grew by 192.4%. More recently, between 2023 and 2025, the MPR fell more sharply by 12% from 30% to 18% alongside, the industry increased its loans and advances by 53.9%. Pre-tax profit in this latter period also grew by 73.9%.

The strategy allowed banks to offset some of the pressure associated with falling rates. More loans generated more interest income even when individual loan yields were lower. However, there are limits to this approach. Aggressive balance sheet growth can create future risks, particularly when underwriting standards weaken under profitability pressure.

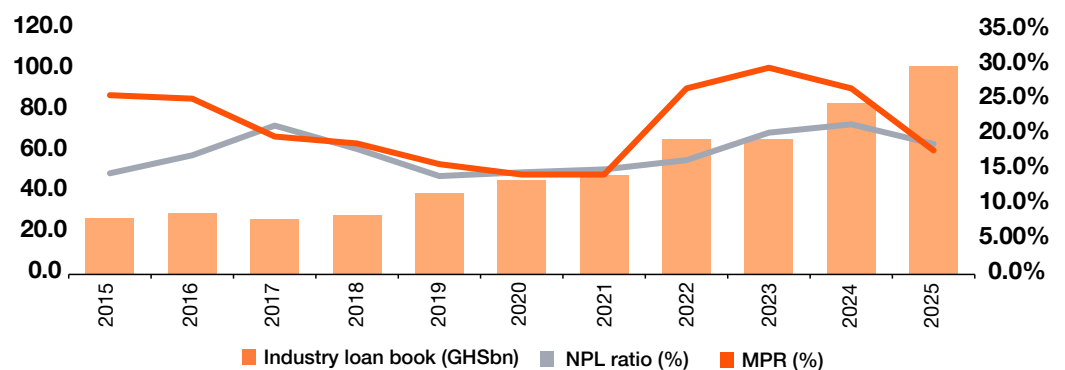
MPR and industry loan book growth dynamics



The hidden cost of growth

An important insight from our analysis is that non-performing loans often track monetary policy movements with a lag. When banks expand lending aggressively during easing cycles, elevated credit risk may emerge later. Historical patterns suggest that rapid loan-book growth is frequently followed by deterioration in asset quality. This creates a difficult trade-off. Banks need stronger credit growth to compensate for margin compression attributable to rate drops. Yet, excessive growth can increase future impairments and erode profitability.

The NPL ratio seems to track the MPR



The concentration of lending in a few sectors reinforces this concern. Services and Commerce & Finance continue to attract an average of 40% of total industry credit, making them the dominant recipients of bank funding.

“Many assets on bank books today are directly connected to government. So many assets that were given for government projects and then a new government comes in and says ‘I won’t be able to pay.’ That affects loan recovery ”

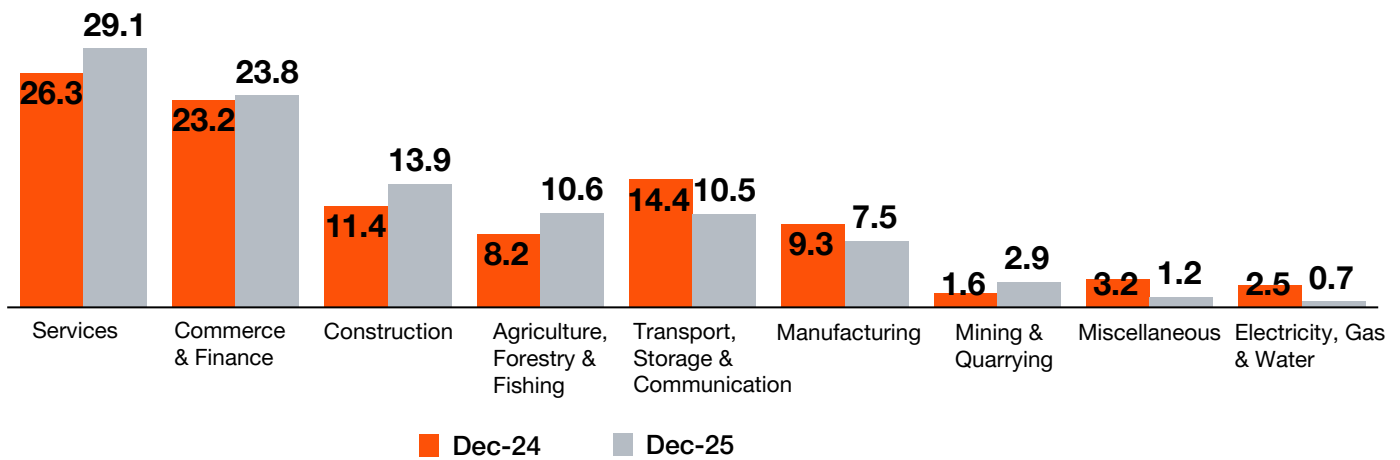
Dr. Philip Oti-Mensah

Chief Executive Officer, Universal Merchant Bank

Annual % composition of industry loans and advances	2021	2022	2023	2024	2025
Services	22.60%	24.10%	23.20%	19.60%	22.20%
Commerce & finance	20.40%	17.40%	15.70%	18.50%	19.00%
Miscellaneous	12.70%	14.30%	13.40%	14.40%	16.30%
Manufacturing	12.10%	11.50%	13.00%	11.80%	10.60%
Construction	7.10%	7.30%	8.10%	6.80%	8.10%
Agriculture, forestry & fishing	3.30%	3.80%	3.20%	5.10%	6.50%
Transport, storage & communication	9.60%	9.50%	9.00%	9.00%	6.30%
Mining & quarrying	2.60%	2.40%	4.10%	4.20%	5.10%
Electricity, gas & water	7.00%	7.40%	7.70%	8.80%	4.60%
Housing	2.70%	2.30%	2.60%	1.80%	1.10%

Despite the concentration of defaults in these sectors, lending patterns have remained broadly unchanged. This raises important questions about portfolio diversification and risk-adjusted returns. As the Bank of Ghana continues to emphasise asset quality improvement and a reduction in industry NPL ratios toward the 10% threshold, banks urgently need to reconsider whether their capital allocation model adequately reflects or incorporates underlying credit risks.

Sectoral contributions to NPLs (%)

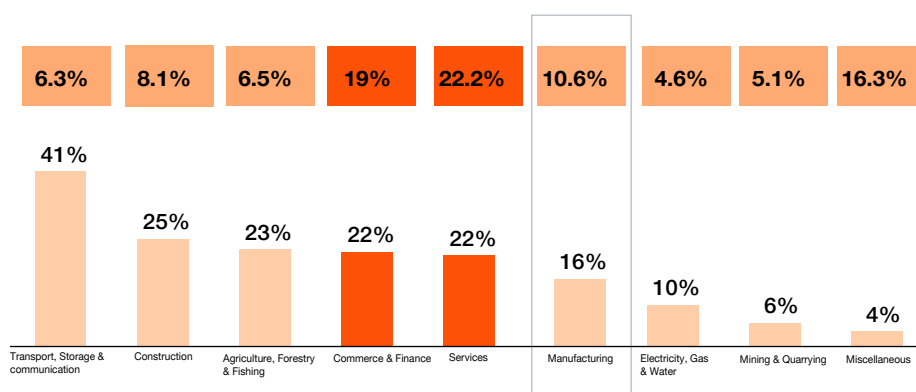


“We need the judiciary to work efficiently and recognise that recovery matters. A bank can spend years in court trying to recover a loan. That has a direct impact on the cost of borrowing.”

John Awuah
CEO, Ghana Association of Banks

Asset quality by sectors (2025)

Sectoral composition of loan book



Our analysis of loan book and NPLs data highlights an important pattern in the industry’s current lending posture. For instance, manufacturing receives a relatively modest share of industry credit despite exhibiting relatively lower default rates compared to the more dominant sectors in the industry’s loan book. Agriculture has also increased its share of lending but remains comparatively underpenetrated.

Supporters of this observed pattern would argue that the more dominant sectors offer banks shorter turnover times for the credit that is extended compared to the manufacturing and agricultural sectors. However, this raises a broader economic question. Could banks or are banks willing to increase both resilience and developmental impact by directing more capital toward productive sectors with stronger long-term growth potential? The answer will vary by institution. However, increasingly sophisticated portfolio management may become essential as traditional sources of profitability come under pressure.

“Banks must take some risk on productive sectors. When these enterprises need technical support, banks should provide those services. Going forward, this is an area banks can look at more critically. Do we provide technical support to enterprises and industries such that they can do bankable projects and then we finance them? That would be long-term development for the enterprises and for banks as well”

Seth Twum-Akwaboah

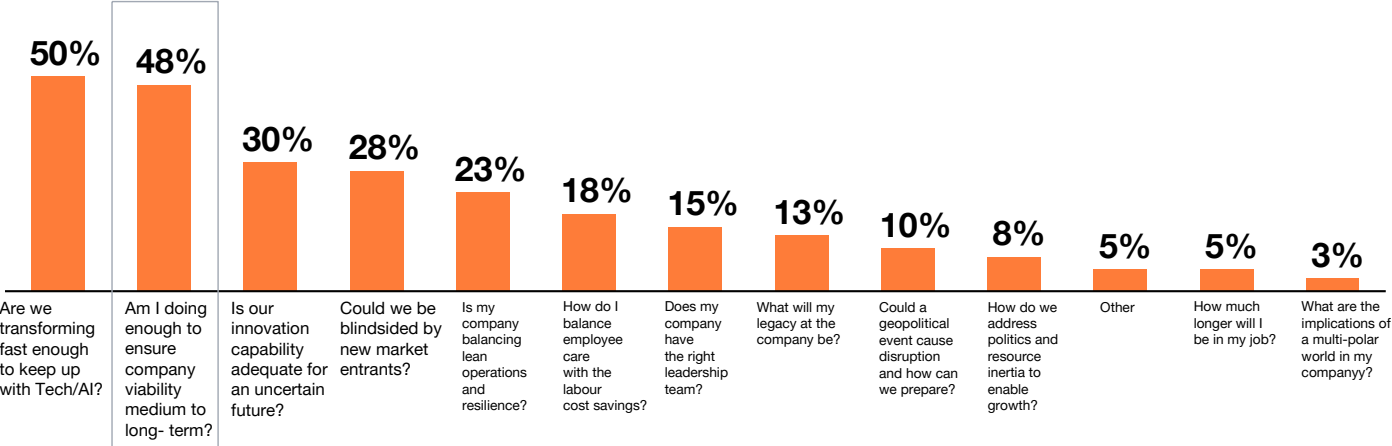
Chief Executive Officer, Association of Ghana Industries



Reinvention becomes a strategic necessity

Perhaps, the most consequential conclusion from the foregoing analysis is that business model reinvention is no longer optional. This is why the conversation about falling rates is ultimately a conversation about business model transformation. The challenge is not unique to banking. Ghana insights from the PwC 29th Global CEO Survey suggests that nearly half of CEOs in Ghana are concerned about whether they are transforming quickly enough to ensure their businesses remain viable over the coming decade. Across industries, technological disruption, changing customer expectations, artificial intelligence, and shifting value pools are forcing organisations to rethink how they create, deliver and capture value. Banks are not exempt from these pressures; if anything, they are among the institutions most exposed to them.

What is the question that concerns you most these days?



“The strategic question is not whether rates are falling, but what should banks do to protect profitability in a lower-rate environment?”

Vish Ashiagbor
Country Senior Partner, PwC Ghana

The future winners may not be institutions with the largest balance sheets or the widest branch networks. Instead, success may belong to organisations that develop new sources of value creation.

The new archetypes: focusing on differentiated value drivers

What is the way forward? While the future path of interest rates remains uncertain, the recent rate cycle has highlighted the vulnerability of business models that rely heavily on interest driven income. In response, we expect greater differentiation across the sector, with banks increasingly adopting distinct business models aligned to their strengths, customer propositions and growth ambitions. PwC's seven banking archetypes provide a useful framework for this reinvention journey, helping banks to identify how they can reduce dependence on interest income, build differentiated capabilities, and unlock sustainable sources of value in a lower-rate environment.

It is obvious from the detailed descriptions of the different archetypes that the banking industry stands at the brink of an era where competition is not limited to the now-familiar challengers (e.g. Fintech), but is also exposed to other businesses that have unique capabilities, e.g. technology/ technological know-how, capital scale, or specialist/ niche knowledge. An example is pension trustees that have access to huge pools of funds and can disrupt the industry, entering as the Funder archetype.



PwC's seven banking archetypes of the future

Archetype	Description	Income model	Differentiating capabilities	Key difference to today
The Factory	The factory harnesses cost-efficient operations and balance sheet strength to build and service products which are distributed through third parties. This model will be most likely for banks that can run products at a consistently lower cost to serve either due to their scale or their differentiating capabilities. Cost, reliability and flexibility are key differentiators. This is because products are sold through distributors such as brokers or aggregators, who will have their choice of factories.	Net interest margin from low-cost, mass production of financial products	- Capital, liquidity and balance sheet management - End-to-end process management - Lean, productive operations - Risk and controls management - Partnership management - Credit risk	Capital, liquidity and balance sheet management
The Distributor	Drawing on customer data and experience design, the distributor understands what customers want and develops appropriate solutions by partnering with factories and enablers. The distributor is a viable model for banks and non-banks as it doesn't create and manage the underlying products. Instead, it generates fees as an intermediary. Its key differentiators are customer insight, proposition development and experience management.	Fee income from product manufacturers for distributing products and services	- Customer data, analytics and insights management - Channel management (for origination and servicing) – digital and/or physical - Partnership management and contracting - External integration - Customer experience - Brand management and marketing	Does not build and run the banking products and services
The Segment Hero	The segment hero focuses on sector expertise and superior customer experiences as it manages both financial and non-financial demands in its specialist area. Potential examples include adding property management to a buy-to-let mortgage offering, industry-specific value-added services alongside merchant acquiring, or equipment management and disposal services alongside asset finance.	Premium interest and fee income from servicing end-to-end customer needs (e.g. non-financial needs)	- Segment expertise, including customer and regulatory - Proposition management - Customer experience design - Origination and distribution - Partnership management - Brand management and marketing	Does not have any propositions beyond chosen segments
The Advisor	The advisor offers tailored solutions and insights. The differentiators don't just include expertise, but also relationships, impartiality and trust. Technology can help to strengthen customer engagement, understanding and experience, while helping advisors to compete against traditional distributors such as brokers.	Fee income from tailored advice (from customer or another bank) Commissions earned from banks/ third parties based on referrals	- Customer data management - Customer analytics and insights generation - Third-party integrations - Segment expertise, including customer and regulatory - Brand management and marketing	Does not provide underlying banking products and drives volumes to third parties

Archetype	Description	Income model	Differentiating capabilities	Key difference to today
The Enabler	The enabler develops and supplies technology or operations solutions to third parties. The enabler doesn't carry out regulated banking activities or interact with end-consumers. Key differentiators include interoperable, scalable and secure solutions.	Transaction-based fee income from third parties	• Interoperable, scalable and secure technology • Technology delivery • End-to-end process management • Partnership management and contracting • Partner technical support	Does not perform regulated banking activities or interact with end consumers
The Funder	The funder provides the balance sheet for an asset class, often in a niche, specialised or high-risk area. This model focuses on funding for lending, such as via a forward flow or strategic funding arrangement, without providing the technology and operations to originate or service the product. This may be a viable additional archetype for a major bank to adopt alongside other archetypes to deploy spare capital. Key differentiators include capital, liquidity and asset class expertise.	Net interest margin from higher risk/ niche asset class	• Capital, liquidity and balance sheet management • Asset class knowledge [and underwriting expertise] • Controls management • Credit risk	Does not perform regulated banking activities or interact with end consumers
The Conglomerate	The conglomerate draws on its scale, breadth and data-enabled insights from across business lines to create unique value for its customers – whether in the form of lower prices, unique propositions or superior service. Like the factory, this model is only likely to be viable for larger banks due to the necessity for scale. But the connectivity of the conglomerate across brand and product areas marks a shift from the business models employed by major banks today. The conglomerate model may include several other archetypes within it. We expect the more successful conglomerates to reconfigure their business unit and functional structures, with each unit anchored on a clear purpose and value proposition underpinned by combinations of common differentiating assets, capabilities and ecosystem relationships.	Interest and fee income, leveraging volume and data to create scale efficiency	• Pan-bank data management and integration • Customer life-cycle management (managing customers across business lines) • Proposition design and management • End-to-end process management • Lean, productive operations • Risk and controls management	Step-change in internal connectivity and use of data to drive differentiated experiences for customers across business lines



Four foundations for successful reinvention

So how can banks lead the change and capitalise on the potential? To make the transition to this new set of archetypes, banks need both strategic clarity and solid operational foundations. Banks also need to be equipped for continuous transformation as bank leadership teams look to keep pace with constantly changing shifts in customer expectations and competitive dynamics.

1

Decide on your archetype: The process begins with assessing how the market is likely to shift and identifying where the greatest value can be created. Current strengths including capabilities, market share, and brand equity form a natural starting point for this assessment. From there, banks can map likely competitor moves, anticipate how this reshapes value pools within specific segments, and pinpoint the capabilities needed to differentiate. A single archetype isn't mandatory; many banks may straddle more than one. However, converging around one or two gives clearer direction to investment and creates greater internal alignment. It also gives leadership the confidence to make tough calls about scaling back or exiting activities that no longer generate sufficient value.

2

Evaluate where to invest and divest: Once an archetype has been chosen, banks can review their existing portfolio against it, identifying what fits, what needs greater investment, and what has become peripheral enough to divest. This starts with understanding how the archetype reshapes the target customer base and the products or services required to serve them well. Innovation and investment plans must closely track evolving customer needs. But, just as important, is the need to confirm that the bank itself has the internal appetite and readiness to execute this pivot.

3

Create a strategic operating model to support the chosen archetype: Clarity of strategy means little without the operational muscle to deliver it. Regardless of archetype, common priorities emerge: agility, a genuine customer focus, and stronger capabilities in workforce skills and data use. These elements create real differentiation and reinforce a bank's competitive edge within its chosen space. Trying to build every capability internally is likely to slow progress and cede ground to faster-moving rivals. Because speed matters, tapping external partners for talent and technology becomes essential. Outsourcing and M&A activity will likely serve as key levers, accelerating access to specialised expertise. This makes strong third-party governance and swift, targeted acquisitions increasingly core competencies — alongside the change management expertise needed to sustain transformation over time.

4

Bring the workforce along for the journey: Reinventing a business model demands real change in how people work, what skills they bring, and how they behave day to day. Securing genuine buy-in, not just compliance — is critical, as is ensuring employees are equipped and motivated to deliver. Encouraging open dialogue and constructive challenge should sit at the heart of the transformation effort, not at its margins.

This becomes even more important in an AI-enabled environment, where the skills required for the most AI-exposed roles are changing more than twice as fast as those required for less exposed jobs.

According to PwC's **AI Jobs Barometer**, organisations that are successfully harnessing AI are seeing significantly higher productivity growth, while also investing in people and skills development. With the right training and tools, banks can shape a workforce that blends solid grounding in core banking with fluency in digital, customer-first ways of working. This kind of capability shift will underpin innovation, sharper customer experiences, and progress toward the goals tied to the chosen archetype.

Change inevitably brings uncertainty, and employees will respond to it differently. Those central to the new archetype should hear a clear message about the value they will help create and how their long-term growth prospects stand to improve. Those in areas marked for divestment can instead be shown a path where their skills move from the periphery to the core of a new business — a reframe that can ease what might otherwise feel like a loss.



Conclusion

In a rate environment that is discernibly different from earlier high-interest rate periods, Ghana's banks are entering an era where sustainable success will be defined less by interest margins and more by strategic focus, backed by successful business model reinvention. The challenge ahead is not simply to navigate a lower-rate environment while keeping existing business models intact, but to deliberately reposition for it.

Whether as factories, distributors, advisors, enablers, funders, segment specialists, or scaled conglomerates, banks will need to make clear choices about where they can win, invest in the capabilities that support those choices, and build business models capable of generating value beyond the interest-rate cycle. Such choices must be informed, at the root, by the respective purposes for their establishment as banks and their core values. Banks that move earliest and most decisively may be best placed to shape the industry's next chapter.

03

Overview of Ghana's Banking Sector in 2025



Ghana's banking sector operated in a much more supportive macroeconomic environment in 2025, underpinned by easing inflation, exchange rate stability, stronger economic growth and improved fiscal conditions.

The industry recorded strong balance sheet growth, improved liquidity, and sustained profitability. Asset growth was driven by continued deposit mobilisation, increased allocation to debt securities, and further growth in lending activity. Earnings remained robust, supported by stronger core banking revenues, higher trading income, and growth in fees and commissions. Even so, the outlook for earnings is becoming more challenging as lower interest rates narrow margins and reduce the benefit previously derived from a high-yield environment.

Revenue patterns across the industry are also evolving, with a rising contribution from fees, commissions, and digitally enabled channels. In parallel, banks are investing in technology and operating infrastructure to improve service delivery, deepen customer engagement, and strengthen long-term competitiveness.

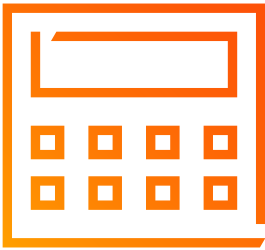
Balance sheet positioning remained broadly cautious in 2025, helping to reinforce resilience amid lingering credit risk concerns. Even so, loan quality weakened during the year, as non-performing loans increased faster than overall credit. While the immediate effect on profitability was contained, the deterioration in asset quality remains an important supervisory and strategic issue for the sector.

Looking ahead, the next phase of industry performance will be shaped not only by the operating environment but also by the Bank of Ghana's evolving regulatory framework. Banks will need to strengthen their capital, liquidity, risk management, and recovery planning capabilities, while ensuring that governance arrangements, internal policies, systems, and controls meet higher supervisory expectations. The sustainability of current earnings will therefore depend on institutions' ability to manage credit risk, contain costs, broaden revenue sources, adjust business models to a lower-rate environment, and execute regulatory change effectively.



Quartile analysis



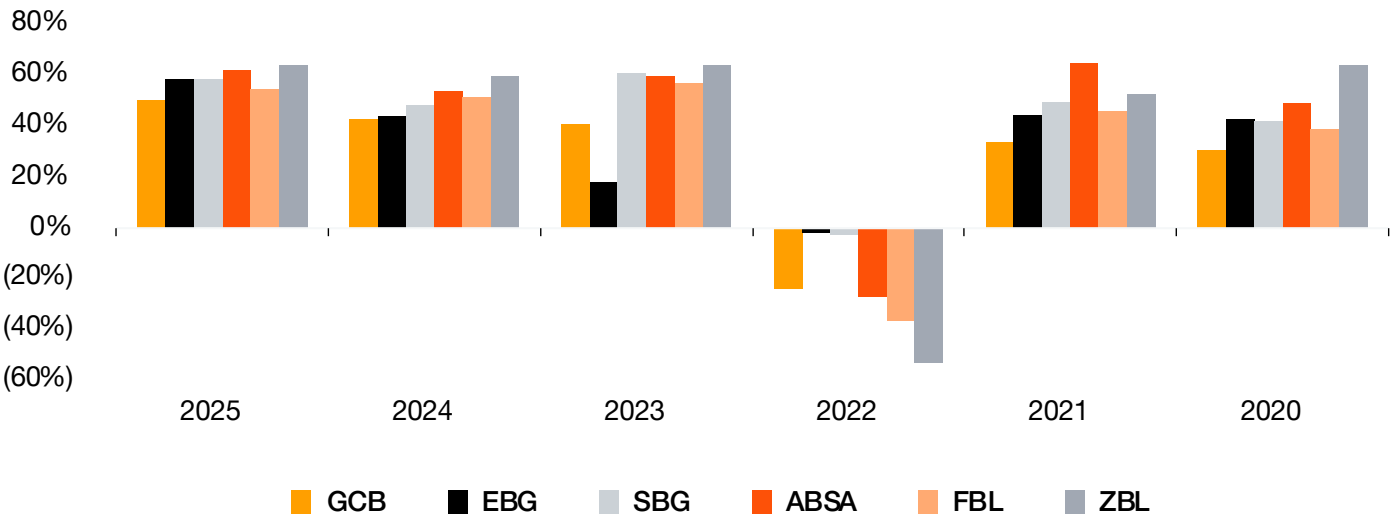


Profit before tax margin

Ghana’s banking sector demonstrated sustained profitability in 2025 despite a contracting interest rate environment. With the policy rate falling to 18% and the Ghana Reference Rate dropping below 20%, quartile analysis shows year-on-year improvements compared to 2024. This positive trend highlights banks’ strategic success in adapting through operational efficiency.

First Quartile

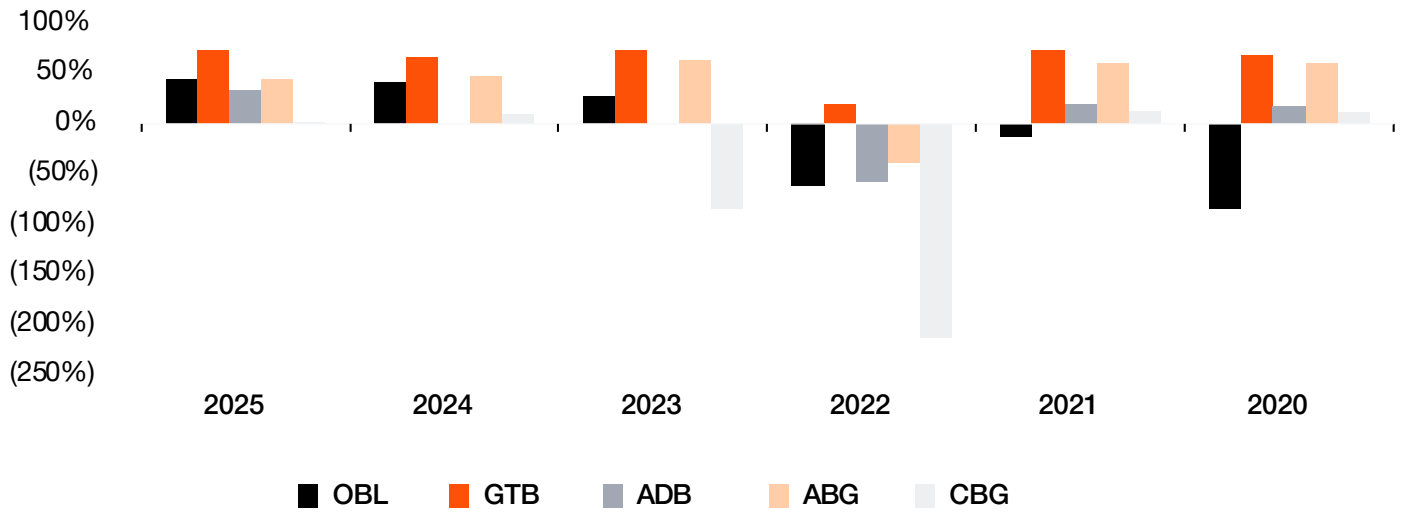
Banks in the first quartile achieved notable improvements in PBT margins in 2025, notwithstanding the declining interest rates. Their performance was underpinned by average growth of 46% in trading income, 21% in interest income, and 19% in fee and commission income.



Second Quartile

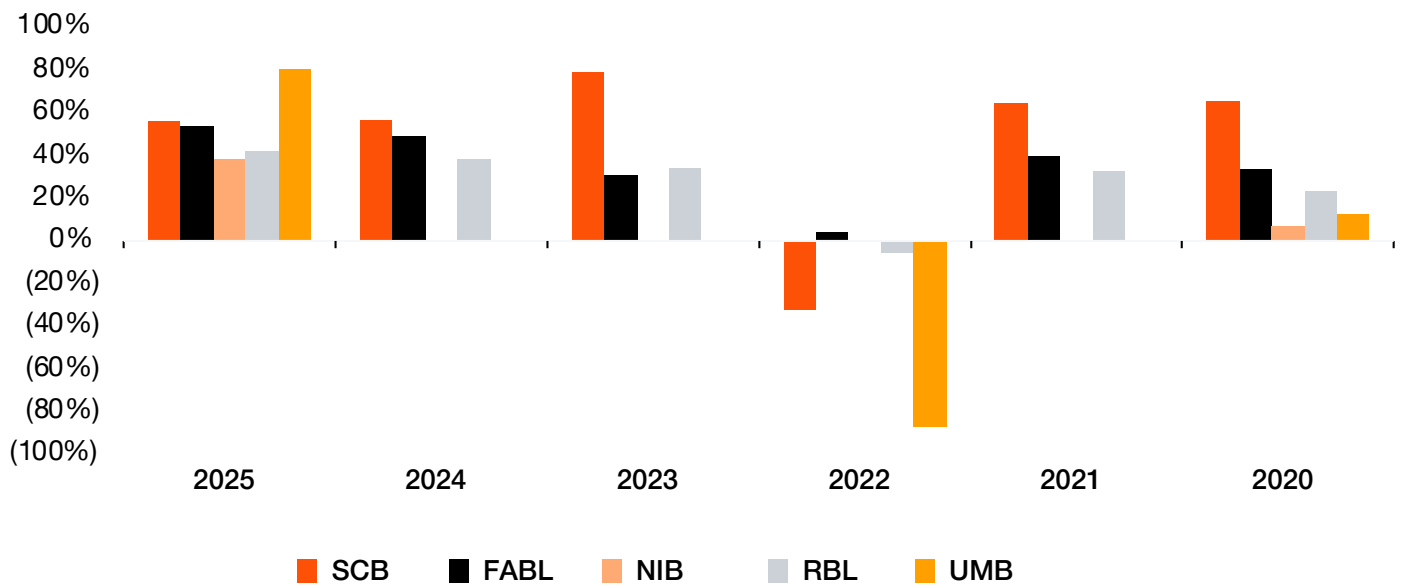
Banks in the second quartile achieved stronger profitability in 2025, with significant year-on-year margin improvements. ADB joined the second quartile, posting a profit before tax (PBT) margin of 33.3%. This margin was driven by a 99% increase in interest income from investment securities, a 19% growth in fee and commission income, and a 51% rise in trading income.

Conversely, CBG’s PBT margin declined sharply from 10.1% in 2024 to 1.2% in 2025. Although CBG’s expenses increased marginally, the primary cause of the margin decline was a reduction in profitability amounting to GHS139.7m, driven by a 10% decrease in fee and commission income and a 3% decline in trading income.



Third Quartile

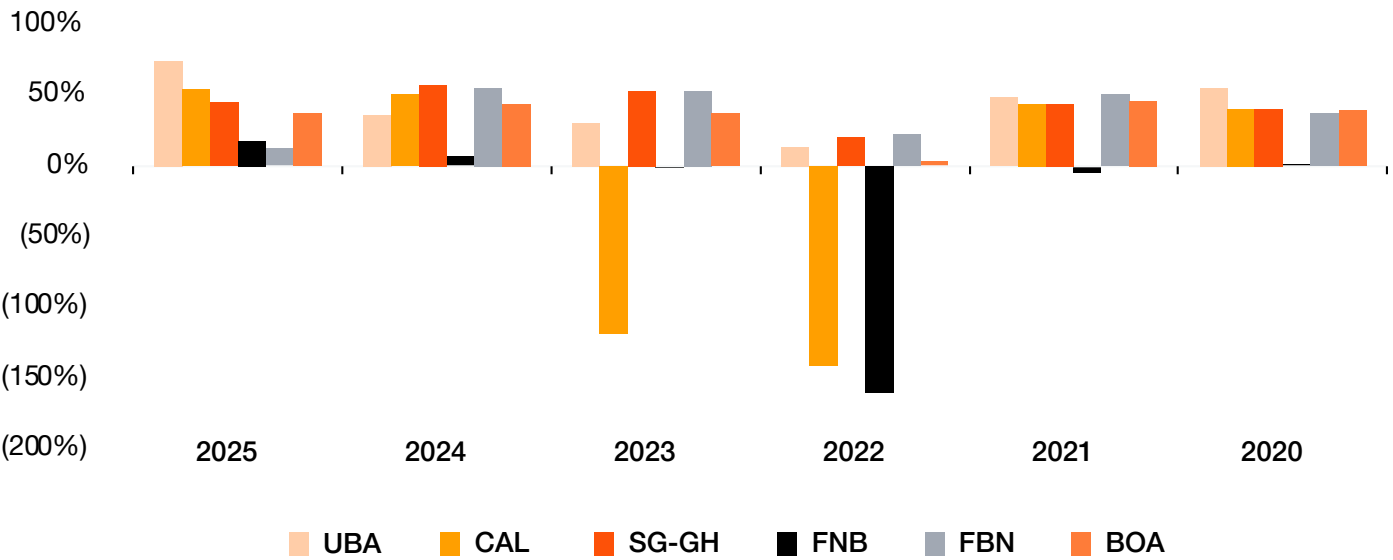
Third quartile banks also strengthened their PBT margins. UMB reported a PBT margin of 80.2%, driven by robust growth in interest income from investment securities and higher fee and commission income. NIB achieved a 38.5% PBT margin, supported by strong growth in interest income of 69%. Income from NIB's investment securities and trading income grew by 123% and 62% respectively.

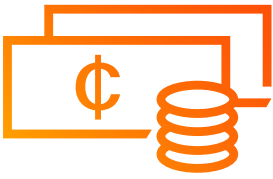


Fourth Quartile

The majority of banks in the fourth quartile demonstrated year-on-year improvements, with UBA delivering a notable turnaround, increasing its profit before tax (PBT) margin from 36.6% in 2024 to 74.3% in 2025. This improvement was driven by growth of 9% in interest income, 37% in fee and commission income, and 44% in trading income.

FNB also improved its PBT margin from 7.2% in 2024 to 18.2% in 2025, supported by increases of 12% in interest income, 14% in fee and commission income, and 46% in trading income. Conversely, FBN reported a sharp decline in PBT margin, falling from 55.3% in 2024 to 12.8% in 2025. This decline was due to a 17% reduction in interest income and a 61% drop in trading income, alongside increases of 24% in interest expense, 101% in fee and commission expense, and 16% in operating expenses.



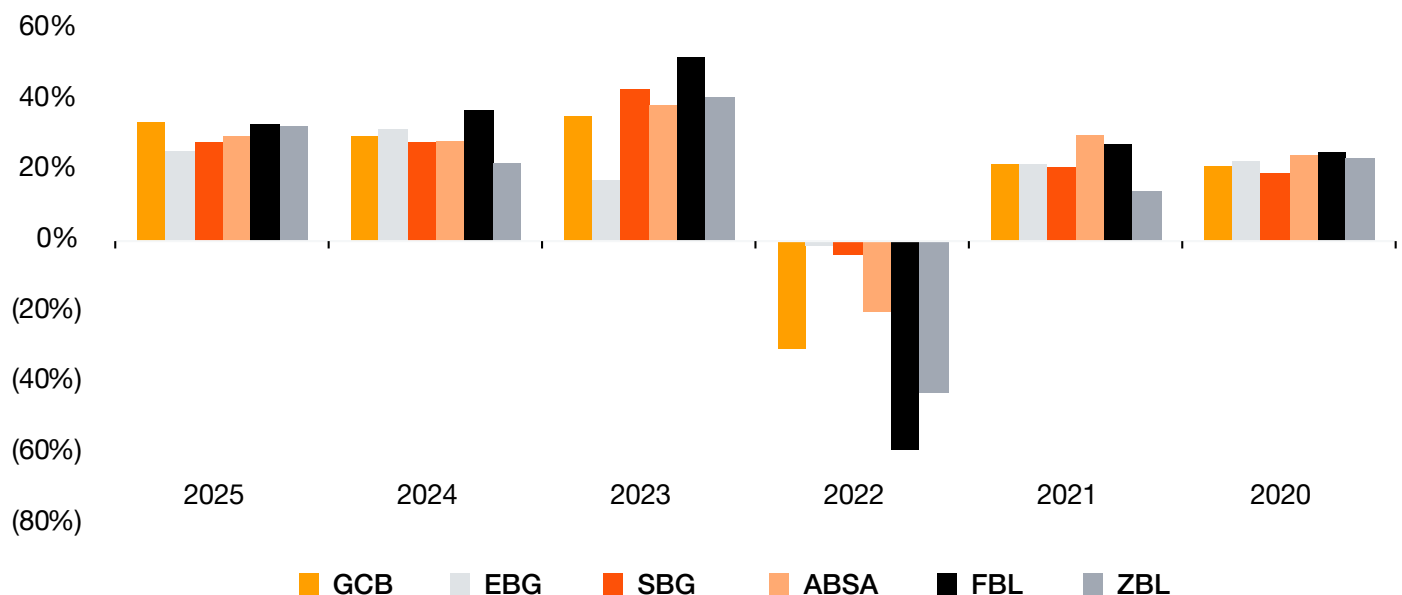


Return on Equity

Strong growth in fee and commission income, trading income, and other non-interest revenue offset margin compression from the low interest environment. As a result, banks were able to maintain positive returns on shareholder capital despite a declining interest rates.

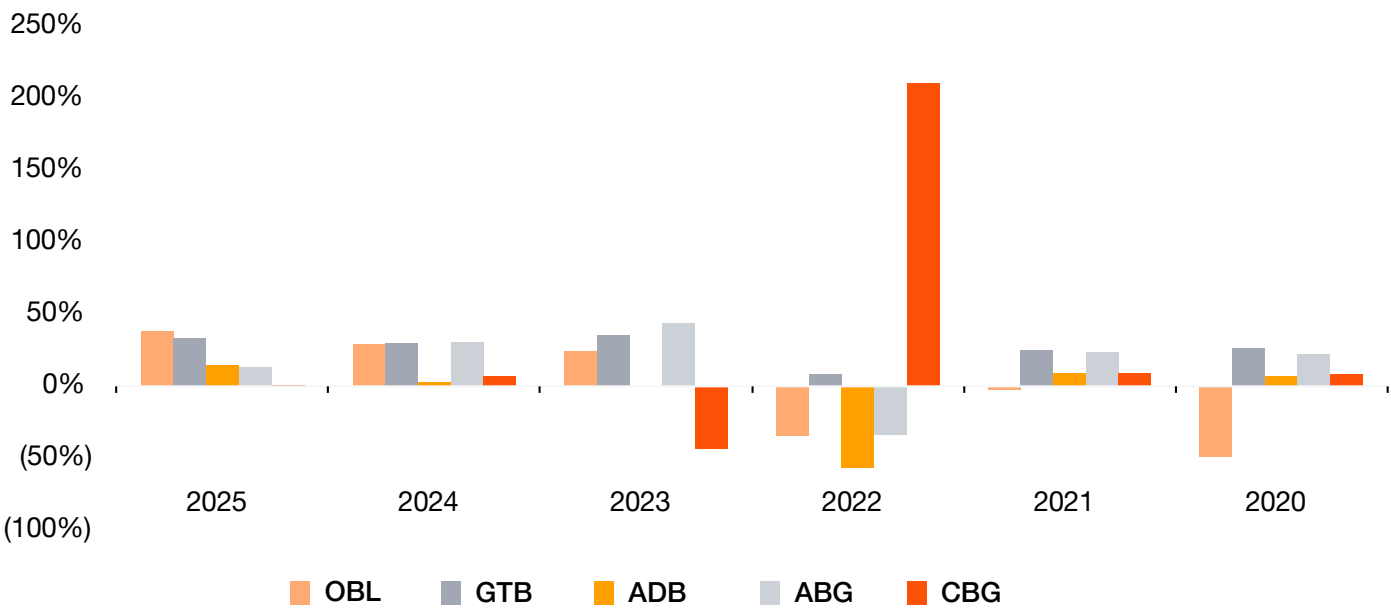
First Quartile

Several banks in the first quartile recorded improved profitability in 2025. Notably, GCB achieved the highest ROE among the first quartile banks, increasing from 29.8% in 2024 to 34.0% in 2025. ZBL recorded the largest improvement from 22.0% in 2024 to 32.7% in 2025. ZBL's profit after tax grew by 121% while shareholders' equity rose by 49%.



Second Quartile

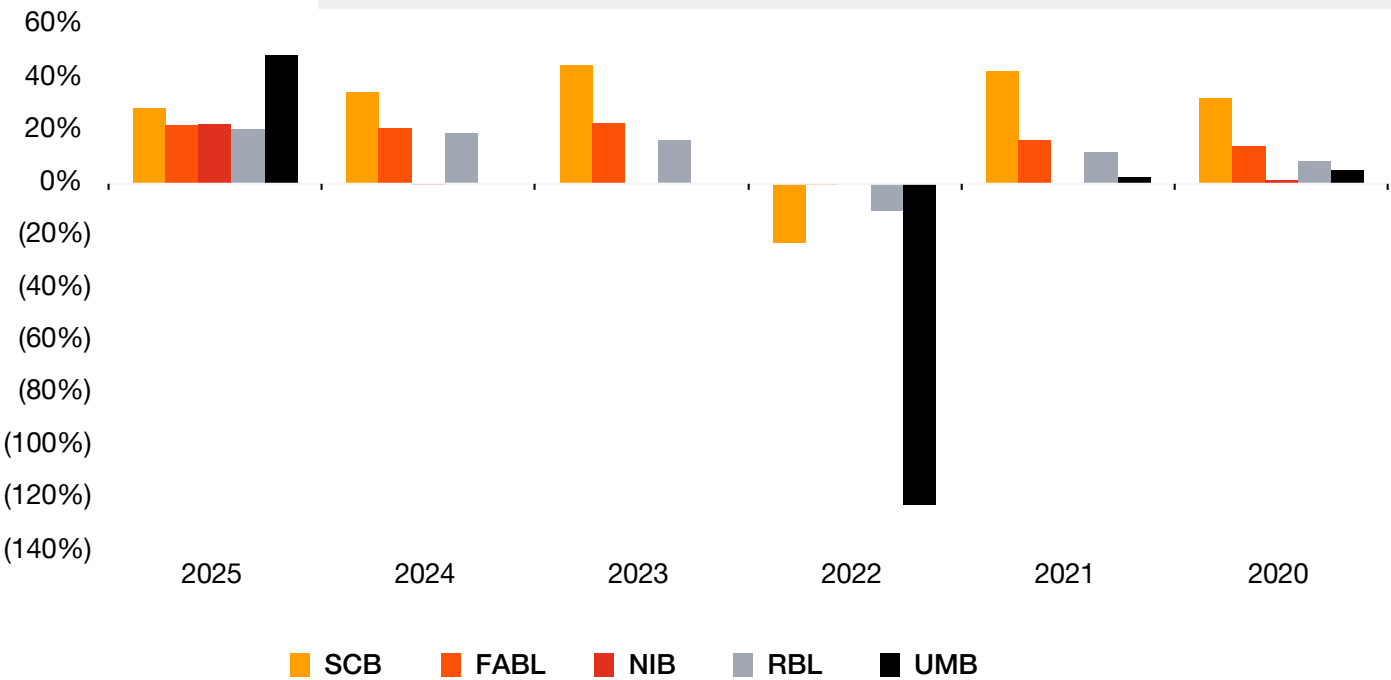
While most banks recorded year-on-year improvements in ROE, OBL posted the highest ROE among banks in the quartile, supported by a 112% increase in PAT and a 61% growth in shareholders' equity. Conversely, ABG's ROE declined by 16.5%, from 30.5% in 2024 to 14% in 2025. This decline was driven by a 47% reduction in PAT alongside a 16% increase in shareholders' equity. The decrease in profitability reflected a 4% decline in interest income, a 46% fall in trading income, and a 25% rise in operating expenses.



Third Quartile

ROE for banks in the third quartile showed a mixed pattern in 2025. FABL and RBL recorded modest improvements, rising to 21.9% (from 21.1%) and 20.6% (from 19.2%), respectively. However, SCB's ROE declined from 34.8% to 28.4%.

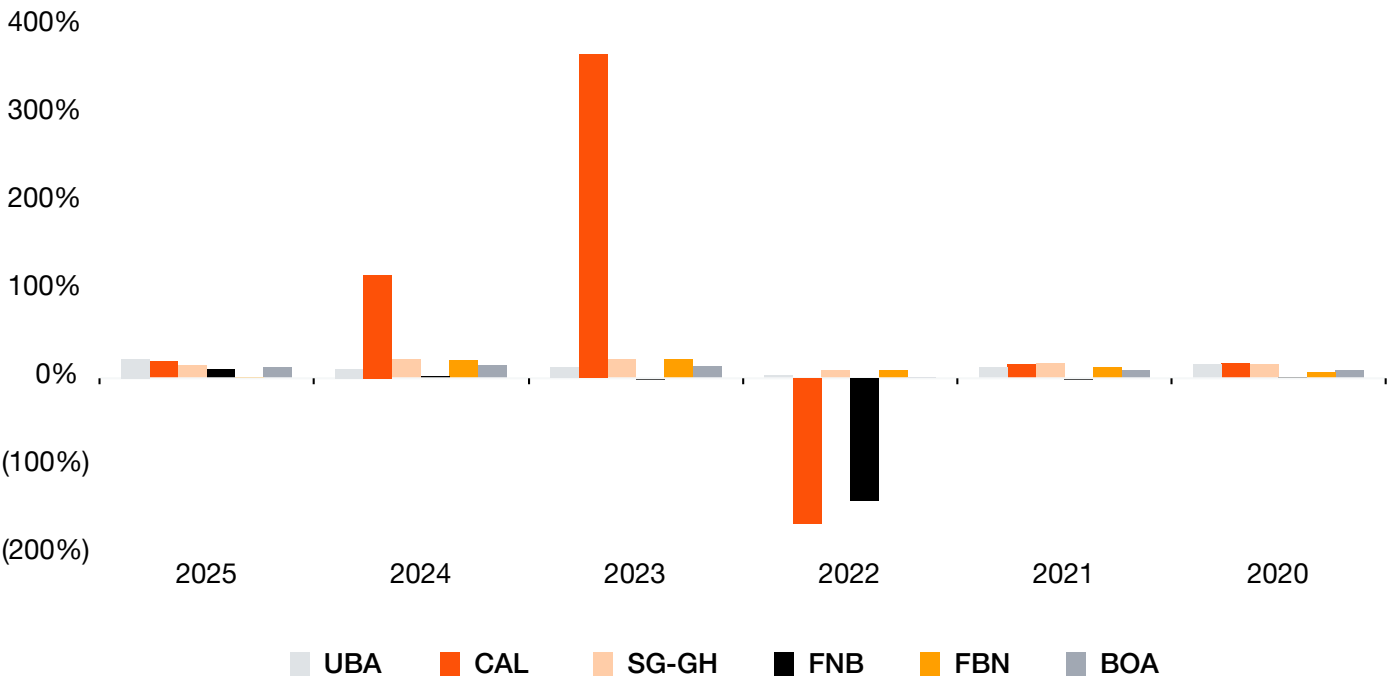
UMB and NIB reported ROEs of 48.5% and 22.2%, respectively, with UMB achieving the highest return in the quartile. NIB's ROE performance was driven by a 12,280% increase in PAT, alongside a 282% rise in shareholders' equity. Similarly, UMB's ROE was supported by a 248% increase in PAT and a 205% growth in shareholders' equity.



Fourth Quartile

The fourth quartile recorded weaker ROE performance in 2025 compared to 2024. However, FNB had a notable improvement, with ROE increasing from 3.4% to 10.6%. UBA achieved the highest ROE within the quartile, driven by a 148% increase in PAT and a 27% rise in shareholders' equity. These improvements were driven by increased interest income, fee and commission income, and trading income.

In contrast, CAL's ROE declined significantly from 117.97% in 2024 to 20.05% in 2025. This sharp decline was due to a 603% increase in shareholders' equity, which outweighed a 20% rise in PAT.



05

Market share analysis



Share of industry loans and advances

Industry loans and advances expanded by 23.4%, growing from GHS85.1bn in 2024 to GHS105.1bn in 2025. This increase was fuelled by lower lending rates enhancing credit affordability, and improved macroeconomic stability which bolstered business and consumer confidence. These factors led to increased demand for credit to finance expansion, investment, and working capital across key sectors. The growth of digital banking also contributed by facilitating high volumes of low-value lending, particularly in retail and SME segments.

Deposit growth provided critical funding for lending expansion and emerging credit opportunities. GCB and EBG remained market leaders, with a combined loan market share of 32%, up from 29.7% in 2024, reflecting their scale, funding capacity, and broad customer reach.

While leading banks leveraged their capital strength and customer base, mid-tier banks strategically expanded loan books in high-growth sectors such as SME, agriculture, trade, and consumer banking to boost earnings and market share.

The services sector accounted for the largest portion of loans, with GHS23.23bn (22.1% of total credit). Collectively, the Services, Miscellaneous, and Commerce and Finance sectors accounted for GHS60.8bn of the GHS105.1bn advanced in 2025. These sectors recorded growth of GHS6.5bn, GHS4.8bn, and GHS4.7bn respectively, reflecting expanding lending to service-oriented and trade businesses, especially within SME-dominated segments.

	2025	R	2024	R	2023	R	2022	R	2021	R	2020	R
GCB	17.8%	1	15.4%	1	12.0%	2	9.5%	4	9.9%	4	8.9%	4
EBG	14.2%	2	14.3%	2	16.1%	1	14.7%	1	12.4%	1	11.7%	1
ABSA	11.0%	3	11.5%	3	10.8%	3	9.8%	3	11.7%	2	11.2%	2
SBG	8.3%	4	10.6%	4	10.2%	4	10.7%	2	11.4%	3	10.4%	3
ZBL	7.8%	5	4.6%	7	3.8%	10	3.1%	13	3.3%	13	2.5%	16
ABG	5.5%	6	5.0%	6	4.0%	9	2.7%	15	2.6%	15	2.7%	13
FBL	5.1%	7	4.3%	8	5.5%	6	4.7%	8	5.0%	7	5.7%	7
SG-GH	4.9%	8	6.8%	5	6.8%	5	5.2%	7	5.5%	5	6.1%	5
RBL	3.8%	9	4.1%	9	4.1%	8	3.3%	12	3.8%	10	3.6%	11
GTB	3.7%	10	3.5%	10	3.0%	13	3.4%	11	3.6%	11	2.5%	15
ADB	2.2%	11	0.0%	-	0.0%	-	5.4%	5	5.0%	6	4.5%	8
FABL	2.1%	12	2.6%	13	2.9%	14	2.5%	17	2.2%	17	1.4%	20
SCB	2.0%	13	3.1%	11	3.6%	11	3.4%	10	4.2%	9	4.0%	10
CBG	1.6%	14	2.5%	14	3.3%	12	3.4%	9	2.9%	14	2.0%	17
OBL	1.5%	15	1.4%	18	1.0%	20	1.1%	21	0.8%	21	0.7%	23
UMB	1.5%	16	0.0%	-	0.0%	-	1.9%	18	0.0%	-	3.6%	12
UBA	1.4%	17	1.5%	17	1.9%	15	2.6%	16	2.3%	16	2.6%	14
FNB	1.3%	18	1.8%	16	1.9%	16	1.6%	20	1.7%	19	1.8%	18
BOA	1.3%	19	1.9%	15	1.5%	18	1.7%	19	1.9%	18	1.8%	19
CAL	1.2%	20	2.9%	12	4.7%	7	5.3%	6	4.9%	8	5.7%	6
FBN	0.9%	21	1.0%	20	1.1%	19	0.9%	22	1.3%	20	1.3%	22
NIB	0.8%	22	0.0%	-	0.0%	-	0.0%	-	0.0%	-	1.3%	21
BSIC	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-
PBL	0.0%	-	1.2%	19	1.7%	17	2.8%	14	3.3%	12	4.1%	9
Industry	100.0%		100.0%		100.0%		100.0%		100.0%		100.0%	

Share of industry total operating income

The sector's total operating income grew by 24.1% to GHS44.1bn in 2025, driven by expanded operating assets. Total interest income increased by 24.5% to GHS45.1bn, driven by a 45.2% rise in investment income to GHS25.1bn, reflecting increased holdings of investment securities.

However, interest income from loans and advances grew modestly by 6.6% (GHS1.0bn), compared to 20.4% growth in 2024. Although lower interest rates improved loan affordability, resulting in higher credit demand, loan portfolio yields declined due to repricing loans from fixed to variable rates and the Bank of Ghana's directive on Non-Performing Loans (NPLs), which limited recognition of interest income on impaired loans.

Interest expenses rose 36.1% to GHS15.3bn, primarily driven by a 44.2% increase in expenses from customer deposits, compressing net interest income growth to 19.2%. GCB led, contributing 14.2% of total operating income (up from 12.5%), followed by EBG with 11.6% (down from 14.9%).

Net fee and commission income increased by 28.5% to GHS5.5bn, fuelled by adoption of digital banking and higher transaction volumes. Net trading income also grew by GHS2.4bn (43.5%), driven mainly by foreign exchange gains due to exchange rate movements, prudent currency risk management, and revaluation gains on foreign currency liabilities amid Ghana cedi appreciation.

The composition of operating income is gradually shifting away from reliance on loans and investment securities toward alternative streams, particularly fee-based and digital banking revenues. As banks adapt business models to the evolving market, monitoring these shifts will be important to assess impacts on revenue generation in the sector.



Share of industry total operating income

	2025	R	2024	R	2023	R	2022	R	2021	R	2020	R
GCB	14.2%	1	12.5%	2	11.8%	2	13.2%	1	14.2%	1	12.8%	1
EBG	11.6%	2	14.9%	1	16.6%	1	12.8%	2	11.9%	2	12.0%	2
SBG	10.1%	3	10.3%	3	10.5%	3	7.7%	4	7.8%	4	7.2%	4
ABSA	10.0%	4	9.7%	4	9.6%	4	9.2%	3	9.8%	3	9.3%	3
FBL	6.1%	5	6.6%	5	6.4%	5	6.4%	5	6.6%	5	6.5%	6
ZBL	5.4%	6	5.0%	8	5.0%	8	4.7%	8	3.8%	12	4.9%	7
GTB	4.8%	7	4.9%	9	4.8%	9	4.3%	9	3.9%	10	3.7%	11
SCB	4.1%	8	5.0%	7	5.4%	6	5.4%	6	6.4%	6	6.8%	5
ADB	4.0%	9	0.0%	-	0.0%	-	2.9%	14	3.8%	11	3.7%	12
CBG	3.9%	10	4.4%	10	2.7%	13	4.2%	10	4.6%	8	4.2%	9
ABG	3.3%	11	5.5%	6	5.1%	7	5.1%	7	4.9%	7	3.9%	10
OBL	3.2%	12	2.1%	15	1.7%	17	0.9%	22	0.4%	21	0.4%	23
SG-GH	3.1%	13	4.1%	11	3.9%	10	3.6%	11	3.8%	13	3.6%	13
FABL	3.0%	14	3.1%	12	3.3%	11	2.3%	16	2.3%	16	2.0%	17
NIB	2.3%	15	0.0%	-	0.0%	-	0.0%	-	0.0%	-	1.8%	19
RBL	2.1%	16	2.2%	14	2.1%	15	2.2%	17	2.3%	17	2.2%	16
CAL	2.0%	17	2.2%	13	2.6%	14	3.4%	12	4.3%	9	4.5%	8
UBA	1.9%	18	1.9%	16	2.9%	12	3.0%	13	2.7%	14	2.7%	14
FNB	1.4%	19	1.2%	19	1.0%	20	0.9%	21	1.1%	20	1.0%	21
UMB	1.3%	20	0.0%	-	0.0%	-	1.9%	19	0.0%	-	1.9%	18
BOA	1.2%	21	1.4%	18	1.5%	18	1.6%	20	1.5%	18	1.6%	20
FBN	1.1%	22	1.8%	17	1.7%	16	2.0%	18	1.3%	19	0.9%	22
PBL	0.0%	-	1.1%	20	1.4%	19	2.4%	15	2.7%	15	2.5%	15
Industry	100.0%		100.0%		100.0%		100.0%		100.0%		100.0%	



06

Profitability and efficiency



Profit before tax margin

The banking sector recorded an improvement in profitability in 2025. Profit before tax (PBT) increased by 39.8%, rising from GHS16.5bn in 2024 to GHS23.0bn in 2025. This growth in PBT outpaced the 24.1% increase in total income, which rose from GHS35.5bn to GHS44.1bn, driving a 5.9 percentage point improvement in the PBT margin from 46.3% to 52.2%.

Operating expenses grew by approximately 26.5%, from GHS16bn to GHS20.2bn in 2025. However, this increase was more than offset by robust income growth, resulting in a higher proportion of income translating into profit. This enhanced the industry's profitability metrics and demonstrated improved cost absorption across the sector.

The stronger PBT margin was primarily driven by growth in investment income, higher net trading income, and improved net impairment reversals. Investment income, a major contributor to earnings, increased by GHS7.8bn (45.2%) in 2025 compared to 5.3% growth in 2024. This rise occurred despite average interest rates on Government of Ghana's 91- and 182-day treasury bills falling by approximately 10.8% and 11.1%, respectively, as the volume of investment securities grew by 57.6%. Additionally, a Bank of Ghana directive requiring banks to hold reserves in the same currency as underlying deposits resulted in improved Ghana cedi liquidity, which banks invested in securities.

Net trading income increased by GHS2.4bn (43.5%), largely driven by foreign exchange translation and transaction gains. This was due to banks maintaining net short foreign currency positions, as guided by Bank of Ghana policies, along with the Ghana cedi's strengthening. Performance varied across banks due to differing foreign currency exposures and trading strategies.

Although the Bank of Ghana's directive prompted an industry-wide loan portfolio clean-up towards the end of 2025, its impact on impairment charges was limited due to adequate collateralisation and full provisioning of non-performing loans. Impairment reversals and recoveries on existing loans contributed positively to profitability. As a result, net impairment losses declined by 75.9%, from GHS3.5bn in 2024 to GHS841m in 2025. This improvement indicates that banks have strengthened their credit management processes to better mitigate credit loss risks.

Looking ahead, sustaining current profitability will depend on banks' ability to preserve asset quality, maintain cost discipline, adapt business models to the lower-yield environment, and diversify income. Banks that balance revenue growth with prudent risk management and operational efficiency will be better positioned for success as the market evolves.

	2025	R	2024	R	2023	R	2022	R	2021	R	2020	R
UMB	80.2%	1	0.0%	-	0.0%	-	-86.7%	19	0.0%	-	12.2%	19
UBA	74.3%	2	36.6%	17	30.5%	14	13.4%	4	48.7%	8	54.9%	5
GTB	73.7%	3	68.0%	1	73.3%	2	19.8%	3	73.6%	1	68.8%	1
ZBL	63.7%	4	59.5%	2	64.1%	4	-52.9%	15	52.5%	5	63.8%	3
ABSA	62.4%	5	54.3%	6	59.7%	6	-27.2%	11	64.6%	3	48.8%	6
SBG	58.4%	6	48.6%	11	61.0%	5	-2.5%	8	49.3%	7	41.9%	8
EBG	58.4%	7	44.3%	13	18.4%	16	-1.8%	7	44.4%	12	42.8%	7
SCB	56.1%	8	56.4%	4	78.1%	1	-31.7%	12	64.9%	2	65.6%	2
CAL	54.7%	9	51.2%	8	-118.4%	23	-140.6%	20	44.6%	11	40.7%	9
FBL	54.5%	10	51.7%	7	57.4%	7	-36.2%	13	45.6%	10	39.0%	12
FABL	54.1%	11	49.4%	9	30.9%	13	4.3%	5	39.9%	14	33.7%	14
GCB	50.5%	12	43.0%	14	40.8%	10	-23.8%	10	33.9%	15	31.1%	15
SG-GH	45.3%	13	57.6%	3	53.4%	8	21.0%	2	44.3%	13	40.4%	10
OBL	44.9%	14	42.1%	15	28.2%	15	-61.7%	17	-12.7%	21	-83.3%	23
ABG	44.7%	15	48.7%	10	64.3%	3	-38.3%	14	60.2%	4	60.9%	4
RBL	42.4%	16	38.4%	16	34.1%	12	-5.3%	9	33.1%	16	23.6%	16
NIB	38.5%	17	0.0%	-	-22.5%	-	0.0%	NA	0.0%	-	7.0%	21
BOA	37.7%	18	44.4%	12	39.2%	11	3.8%	6	46.5%	9	39.4%	11
ADB	33.3%	19	0.0%	-	0.0%	-	-56.3%	16	19.7%	18	17.6%	17
FNB	18.2%	20	7.2%	19	-0.8%	20	-160.1%	21	-4.1%	20	0.3%	22
FBN	12.8%	21	55.3%	5	52.9%	9	22.5%	1	50.9%	6	37.3%	13
CBG	1.2%	22	10.1%	18	-74.6%	22	-211.9%	22	13.2%	19	12.2%	20
PBL	0.0%	-	-63.3%	20	-133.3%	24	-79.8%	18	30.5%	17	15.9%	18
Industry	52.2%		46.3%		36.7%		-32.9%		45.2%		40.2%	



Net interest margin

The net interest margin contracted from 8.3% in 2024 to 7.4% in 2025. This was due to declining yields on investment securities and lower lending rates following reductions in the Monetary Policy Rate (MPR) and the Ghana Reference Rate (GRR).

Historically, Ghana's high-interest rate environment and significant foreign currency lending volumes supported strong growth in loans and advances interest income, averaging nearly 25% annually between 2022 and 2024. In 2025, this growth slowed sharply, with interest income from loans and advances rising by GHS1.0bn (6.6%).

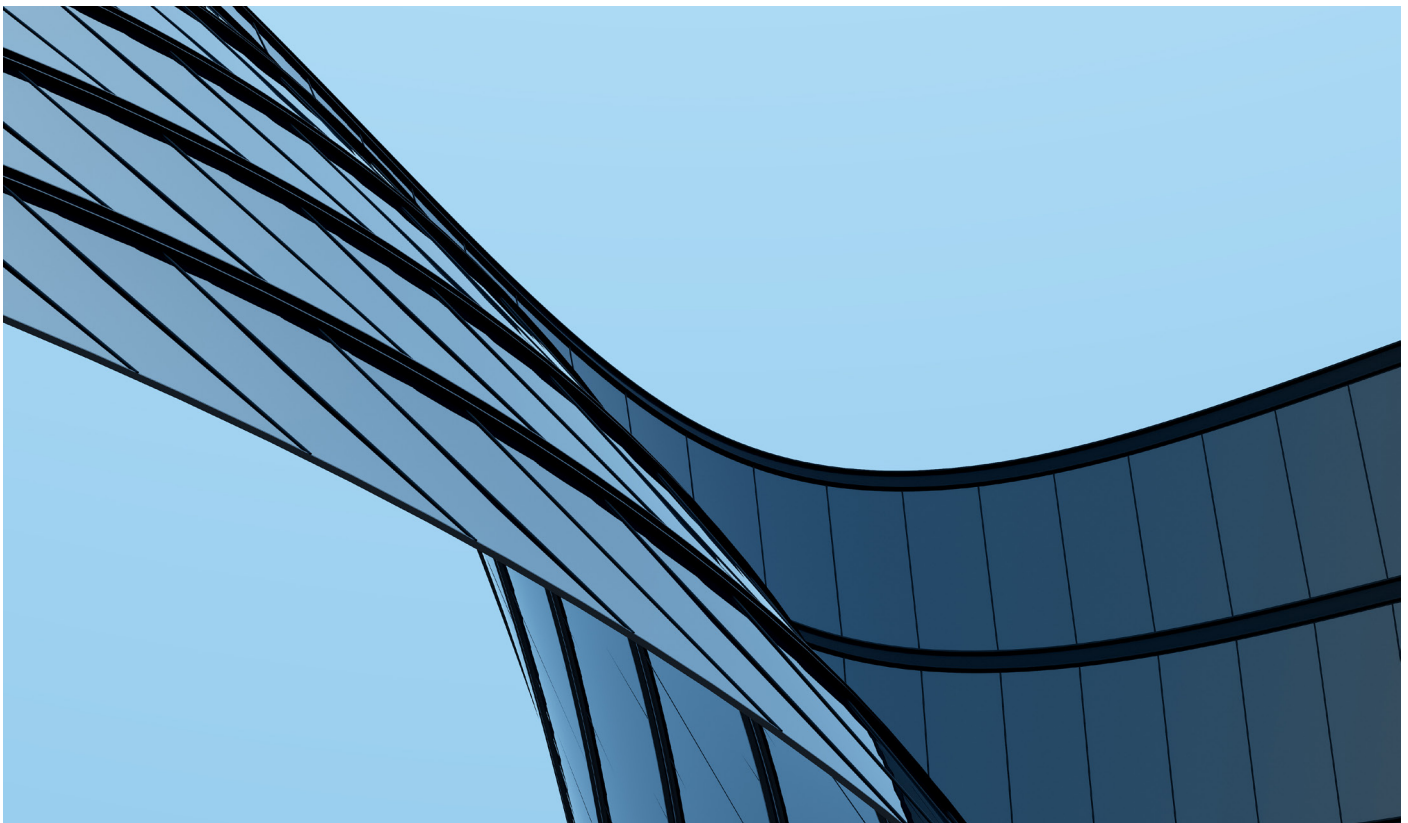
Lower interest rates encouraged greater uptake of variable-rate lending, which, combined with repricing of loans and the falling rate environment, pressured loan yields. Regulatory changes affecting foreign exchange transactions, along with the relative stability and appreciation of the Ghana cedi, reduced the cedi translation of interest income earned on foreign currency loans.

The decline in net interest margin highlights increasing pressure on banks' core earnings despite balance sheet expansion and growth in net interest income. Going forward, the operating environment is expected to become more challenging, as regulatory changes—including a uniform 20% cash reserve ratio—are likely to reduce deployable earning assets, while lower government security yields constrain alternative interest income sources. These pressures will intensify margin compression and test the resilience of traditional bank business models.

Sustaining current profitability will depend on banks' ability to preserve asset quality, maintain cost discipline, adapt business models to the lower-yield environment, and diversify income. Banks that balance revenue growth with prudent risk management and operational efficiency will be better positioned for medium-term success in the evolving market.



	2025	R	2024	R	2023	R	2022	R	2021	R	2020	R
SG-GH	11.8%	1	11.9%	2	11.2%	6	8.7%	4	7.6%	6	8.5%	6
GCB	9.6%	2	9.7%	5	11.9%	2	10.6%	2	11.2%	1	10.8%	2
ABSA	9.5%	3	9.8%	4	11.6%	4	8.2%	6	7.6%	8	7.9%	10
FBL	8.7%	4	9.3%	8	9.8%	10	6.6%	15	7.5%	10	8.1%	8
FBN	8.7%	5	13.9%	1	18.9%	1	8.6%	5	9.4%	2	9.7%	3
BOA	8.6%	6	9.3%	7	10.2%	9	7.2%	12	7.3%	12	8.8%	5
ADB	8.4%	7	0.0%	-	0.0%	-	6.1%	18	7.9%	5	8.1%	9
SBG	8.2%	8	8.8%	10	9.1%	12	7.1%	13	4.9%	19	5.6%	22
CBG	7.8%	9	7.5%	11	4.6%	20	5.8%	19	6.0%	17	6.1%	20
OBL	7.6%	10	7.3%	13	9.7%	11	4.1%	21	3.1%	21	1.7%	23
GTB	7.4%	11	9.0%	9	11.2%	5	7.8%	10	7.5%	9	7.8%	13
NIB	7.0%	12	0.0%	-	0.0%	-	0.0%	-	0.0%	-	7.4%	14
ZBL	6.8%	13	6.6%	15	8.6%	14	7.7%	11	7.6%	7	7.9%	12
SCB	6.5%	14	10.0%	3	10.4%	8	7.9%	9	7.1%	15	8.2%	7
RBL	6.5%	15	7.4%	12	8.8%	13	8.0%	8	7.3%	13	7.4%	16
UBA	6.3%	16	6.7%	14	11.0%	7	9.3%	3	7.2%	14	7.4%	15
FABL	5.9%	17	4.8%	18	7.4%	15	6.8%	14	7.4%	11	6.4%	19
EBG	5.8%	18	9.4%	6	11.7%	3	11.3%	1	8.9%	3	9.1%	4
FNB	5.2%	19	5.0%	17	6.0%	16	4.3%	20	4.3%	20	5.7%	21
ABG	4.4%	20	5.8%	16	5.3%	19	6.1%	16	6.9%	16	7.1%	17
CAL	4.2%	21	4.2%	19	5.6%	18	6.1%	17	5.2%	18	7.0%	18
UMB	3.7%	22	0.0%	-	0.0%	-	3.7%	22	0.0%	-	11.4%	1
PBL	0.0%	-	4.2%	20	5.6%	17	8.1%	7	8.2%	4	7.9%	11
Industry	7.4%		8.4%		9.3%		7.9%		7.4%		7.9%	



Cost to income ratio

The cost-to-income ratio (CIR) for the banking sector deteriorated marginally to 0.46 in 2025, up from 0.45 in 2024. This reflects efforts by banks to balance cost containment with support for business growth and operational resilience.

Total operating expenses rose by 26.5% to GHS20.2bn in 2025, compared with 25.2% growth in 2024. While expense growth remained elevated, easing inflation and Ghana cedi appreciation helped moderate cost increases. Staff costs, administrative expenses, depreciation and amortisation, and software licensing/technology expenses grew by 29.0%, 21.8%, 37.1%, and 22.5%, respectively. These increases primarily reflect ongoing investments in human capital, technology, regulatory compliance, and operational resilience necessary for competitiveness and long-term growth in an increasingly digital world.

Over the same period, total income grew 24.1% from GHS35.5bn to GHS44.1bn. Although robust, income growth was marginally lower than growth in operating expenses, causing the CIR increase. Nevertheless, strong earnings capacity continued to underpin sector profitability.

Looking ahead, CIR trends will depend on banks' ability to sustain revenue growth while managing cost pressures—especially staffing, technology investments, and cybersecurity. Improving operational efficiency will require balancing prudent cost management with ongoing digital transformation, process automation, and scalable service models.



	2025	R	2024	R	2023	R	2022	R	2021	R	2020	R
GTB	0.26	1	0.21	1	0.19	1	0.23	1	0.24	1	0.30	2
ZBL	0.30	2	0.33	3	0.29	5	0.39	7	0.43	6	0.34	4
EBG	0.35	3	0.36	5	0.29	4	0.43	8	0.46	8	0.47	9
ABSA	0.37	4	0.46	10	0.35	8	0.24	2	0.30	3	0.41	6
UBA	0.40	5	0.37	6	0.27	2	0.27	3	0.30	4	0.30	3
FABL	0.40	6	0.47	12	0.34	7	0.51	13	0.56	16	0.56	14
SBG	0.40	7	0.41	8	0.38	9	0.47	12	0.48	11	0.53	11
FBL	0.44	8	0.45	9	0.44	12	0.46	11	0.49	12	0.51	10
SCB	0.46	9	0.39	7	0.34	6	0.36	6	0.36	5	0.28	1
GCB	0.47	10	0.46	11	0.48	14	0.53	16	0.53	14	0.58	15
BOA	0.49	11	0.49	13	0.45	13	0.46	10	0.46	9	0.46	7
OBL	0.52	12	0.57	15	0.60	16	0.90	20	1.59	21	2.11	23
ADB	0.52	13	0.00	-	0.00	-	0.90	21	0.74	18	0.78	19
ABG	0.53	14	0.32	2	0.28	3	0.28	4	0.27	2	0.36	5
RBL	0.55	15	0.57	16	0.56	15	0.57	17	0.62	17	0.62	17
NIB	0.57	16	0.00	-	0.00	-	0.00	-	0.00	-	1.02	22
SG-GH	0.57	17	0.35	4	0.39	10	0.43	9	0.50	13	0.54	12
CAL	0.68	18	0.74	17	0.67	17	0.53	15	0.44	7	0.46	8
UMB	0.76	19	0.00	-	0.00	-	0.66	18	0.00	-	0.80	20
FNB	0.81	20	0.87	18	0.95	19	1.36	22	1.02	20	0.88	21
CBG	0.85	21	0.92	19	1.22	20	0.89	19	0.78	19	0.77	18
FBN	0.86	22	0.54	14	0.43	11	0.31	5	0.47	10	0.55	13
PBL	0.00	-	1.18	20	0.87	18	0.52	14	0.55	15	0.61	16
Industry	0.46		0.45		0.40		0.46		0.47		0.51	



07

Return to shareholders' fund



Return on Equity

Ghana's banking sector ROE trends between 2020 and 2025 which spans the post-recapitalization era following the banking sector reforms, the economic disruptions associated with the COVID-19 pandemic, and the substantial balance sheet pressures arising from the Domestic Debt Exchange Programme (DDEP) provide valuable insights into the industry's resilience and adaptability in the face of significant economic and regulatory transformation.

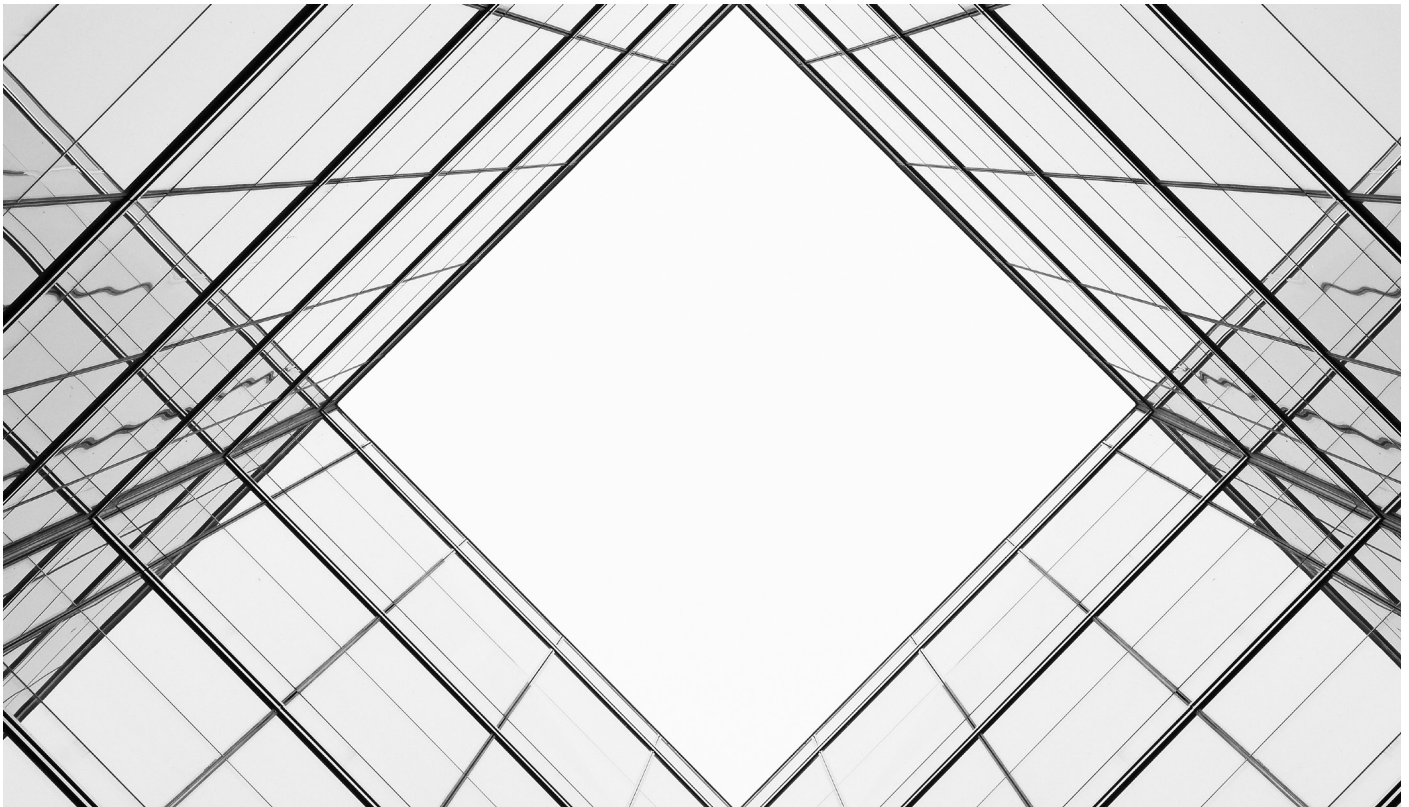
In 2025, Ghana's macroeconomic environment improved, providing stronger support for banking sector performance and financial stability. Inflation declined sharply from 23.8% at the end of 2024 to 5.4% in December 2025, while the Monetary Policy Rate fell from 27% to 18%.

Despite net interest margins across the industry declining from 8.4% to 7.4%, reflecting compressed spreads in a lower-rate environment, banks achieved revenue growth that absorbed rising costs and supported profitability. However, asset quality deteriorated as non-performing loans (NPLs) increased from 18% to 25%. This was largely due to a 68% increase in impaired loans to GHS26.0bn, which was significantly higher than the 24% growth recorded in gross loans and advances. The Bank of Ghana has introduced a series of measures aimed at improving the credit environment and contributing to the broader stability of the financial system.

While the sector remained profitable in 2025, return on equity (ROE) performance varied across institutions. UMB recorded the highest ROE in the sector at 48.5%, driven by a turnaround in profitability, with net earnings improving to GHS267m from a loss of GHS254m in the prior year. This performance was supported by a 173% increase in total revenue and an impairment reversal of GHS333m. Additionally, UMB's relatively small shareholders' funds base amplified its ROE. In contrast, CBG reported a return on equity of 0.5%, reflecting profitability constraints primarily impacted by an impairment charge of GHS231m in 2025. The impairment reflected an increase of 773% from 2024 and was significantly higher than the industry average of 17.6%. CBG posted the lowest profit after tax among its peers, highlighting significant asset quality and earnings challenges.

Coordinated interventions by the Bank of Ghana (BoG), the International Monetary Fund (IMF), and the Ministry of Finance have effectively restored systemic profitability and rebuilt investor trust in both the banking sector and the wider economy. While most commercial banks have successfully returned to highly profitable double-digit return on equity (ROE) levels, a few institutions continue to face structural legacy challenges. Sustained regulatory vigilance, robust credit risk management, and continuous digital innovation remain essential to consolidate these profitability gains and safeguard long-term financial resilience.

	2025	R	2024	R	2023	R	2022	R	2021	R	2020	R
UMB	48.5%	1	0.0%	-	0.0%	-	-122.1%	20	0.0%	-	4.9%	20
OBL	37.9%	2	28.8%	8	24.7%	10	-34.4%	15	-2.4%	21	-49.2%	23
GCB	34.0%	3	29.8%	7	35.5%	8	-30.1%	13	21.9%	6	21.4%	8
GTB	33.3%	4	29.8%	6	35.2%	9	8.6%	4	25.8%	4	26.7%	2
FBL	33.1%	5	37.3%	2	52.1%	2	-59.2%	18	27.5%	2	25.2%	3
ZBL	32.7%	6	22.0%	12	40.8%	6	-42.7%	16	14.2%	12	23.2%	5
ABSA	29.5%	7	28.6%	9	38.2%	7	-20.1%	11	30.1%	1	24.2%	4
SCB	28.4%	8	34.8%	3	44.9%	3	-22.6%	12	26.6%	3	32.6%	1
SBG	28.0%	9	28.1%	10	43.0%	5	-3.7%	9	20.7%	8	19.4%	9
EBG	25.3%	10	31.7%	4	17.2%	14	-1.3%	8	21.8%	7	22.4%	7
NIB	22.2%	11	0.0%	-	0.0%	-	0.0%	-	0.0%	-	1.2%	21
FABL	21.9%	12	21.1%	13	23.1%	11	0.0%	7	16.3%	11	14.3%	13
UBA	21.5%	13	11.0%	17	12.9%	17	5.0%	5	12.5%	13	16.4%	12
RBL	20.6%	14	19.2%	15	16.5%	15	-10.1%	10	11.8%	15	8.5%	15
CAL	20.0%	15	118.0%	1	367.9%	1	-164.2%	22	17.1%	10	18.6%	10
SG-GH	15.3%	16	22.5%	11	22.3%	12	10.0%	2	17.9%	9	16.7%	11
ADB	14.8%	17	0.0%	-	0.0%	-	-56.4%	17	8.7%	19	7.7%	17
ABG	14.0%	18	30.5%	5	44.1%	4	-33.3%	14	23.6%	5	22.9%	6
BOA	12.0%	19	15.2%	16	13.8%	16	0.8%	6	10.3%	17	10.2%	14
FNB	10.6%	20	3.4%	19	-0.7%	18	-138.4%	21	-0.7%	20	0.1%	22
FBN	1.6%	21	20.3%	14	21.7%	13	9.5%	3	12.5%	14	7.2%	18
CBG	0.5%	22	6.9%	18	-43.6%	19	211.2%	1	9.0%	18	8.2%	16
PBL	0.0%	-	-965.4%	20	-408.3%	20	-96.8%	19	11.6%	16	5.1%	19
Industry	25.3%		26.4%		25.0%		-29.3%		19.2%		19.1%	



Return on Assets

In 2025, Ghana's banking sector exhibited sustained balance sheet robustness and systemic soundness, operating within a significantly improved macroeconomic environment characterised by lower inflation, exchange rate stability, stronger economic growth, and enhanced fiscal and external sector performance.

Absa reported total assets of GHS31.5bn and profit after tax of GHS1.7bn, translating into the highest Return on Assets (ROA). With Ecobank and GCB Bank maintaining larger asset bases of GHS46bn and GHS52bn, respectively, Absa's superior ROA indicates a stronger capacity to convert its assets into earnings through more efficient utilization. At the lower end of the industry, CBG registered an ROA of approximately 0.04%. This weak performance was primarily driven by a sharp increase in impairment charges, which rose from GHS30m in 2024 to GHS231m in 2025, significantly weighing on its profitability.

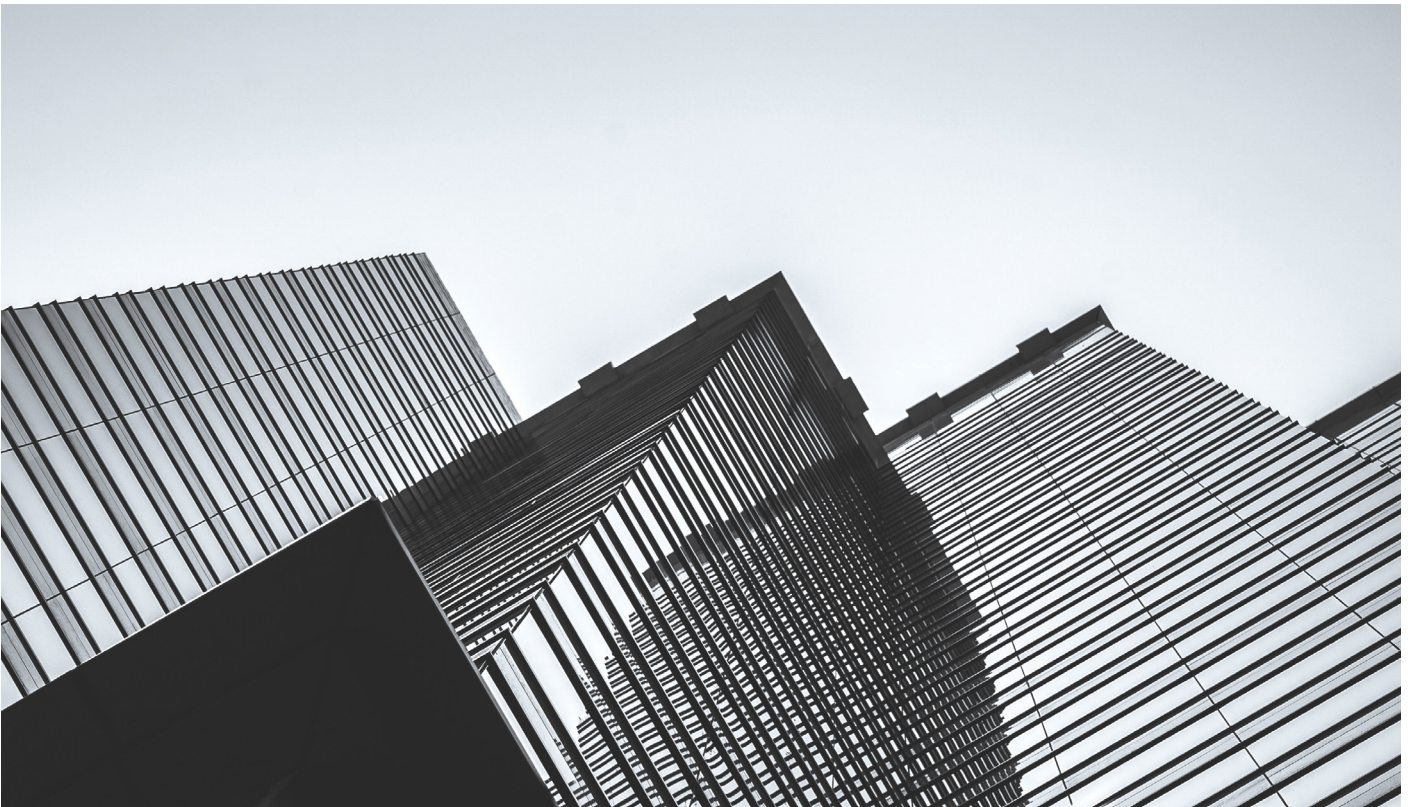
The expansion in total assets was driven by customer deposits which funded increased investment in both Government of Ghana and Bank of Ghana securities and drove continuous credit extension even as asset quality declined. Importantly, adequate collateralization mitigated the impact of elevated non-performing loans, limiting the sector's exposure to credit losses. As a result, the industry's return on assets improved to 3.4% in 2025, up from 3.0% in 2024, reflecting enhanced asset productivity and stronger earnings generation.

Ghana's banking sector outlook remains broadly positive, supported by a more stable macroeconomic environment and stronger capital buffers. However, the declining interest rate environment poses a significant earnings risk, as lower yields on investment securities and loan repricing may compress net interest margins and challenge banks' ability to sustain or improve return on assets (ROA).

As the sector moves beyond the post-DDEP recovery phase, banks will need to prioritise balance sheet optimisation, targeted credit expansion, enhanced fee-based income generation, and disciplined cost management to safeguard profitability. A rethink of business models and strategies particularly around investments in digital transformation, data analytics, and operational efficiency will be critical to deepening customer engagement and maintaining competitive advantage.

At the same time, prudent risk management, sound governance, and adherence to evolving regulatory standards will remain essential to preserving financial soundness and supporting long-term growth across the sector.

	2025	R	2024	R	2023	R	2022	R	2021	R	2020	R
ABSA	5.6%	1	4.4%	4	5.3%	3	-2.5%	10	4.3%	2	3.8%	6
SCB	4.8%	2	5.0%	2	6.2%	2	-2.9%	13	4.3%	3	6.0%	2
GTB	4.8%	3	4.8%	3	6.5%	1	1.6%	3	6.3%	1	6.6%	1
SBG	4.4%	4	3.6%	6	5.2%	4	-0.3%	8	2.9%	9	2.6%	13
SG-GH	4.1%	5	5.3%	1	4.8%	8	1.7%	2	3.4%	6	3.0%	9
GCB	3.9%	6	2.8%	11	3.7%	10	-2.6%	11	3.0%	8	2.9%	10
EBG	3.9%	7	3.7%	5	1.8%	16	-0.1%	7	3.2%	7	3.4%	7
ZBL	3.7%	8	2.4%	13	4.9%	7	-4.3%	16	2.5%	13	4.2%	3
FBL	3.5%	9	3.5%	7	4.4%	9	-2.8%	12	2.6%	11	2.7%	11
UBA	3.5%	10	1.7%	17	2.2%	13	1.0%	4	2.6%	10	4.1%	5
BOA	3.1%	11	2.9%	10	3.4%	11	0.2%	5	2.3%	14	3.2%	8
NIB	2.8%	12	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-0.2%	22
CAL	2.6%	13	2.2%	14	-6.9%	19	-8.8%	20	2.1%	15	2.6%	12
FABL	2.5%	14	2.5%	12	2.8%	12	0.0%	6	2.5%	12	2.6%	14
RBL	2.1%	15	2.0%	16	1.9%	15	-1.3%	9	1.9%	17	1.4%	16
ADB	2.1%	16	0.0%	-	0.0%	-	-5.0%	17	1.3%	18	1.1%	17
OBL	2.0%	17	2.1%	15	2.1%	14	-4.1%	15	-0.5%	21	-3.7%	23
UMB	1.9%	18	0.0%	-	0.0%	-	-5.5%	18	0.0%	-	0.7%	19
FNB	1.6%	19	0.3%	19	-0.1%	17	-11.1%	21	-0.2%	20	0.0%	21
ABG	1.5%	20	3.2%	9	5.0%	5	-3.4%	14	4.3%	4	4.1%	4
FBN	0.4%	21	3.3%	8	4.9%	6	2.2%	1	3.8%	5	2.1%	15
CBG	0.0%	22	0.5%	18	-4.0%	18	-14.2%	22	0.7%	19	0.5%	20
PBL	0.0%	-	-3.9%	20	-7.8%	20	-6.9%	19	2.0%	16	0.8%	18
Industry	3.4%		3.0%		2.9%		-2.9%		2.9%		2.8%	



08

Liquidity



Liquid funds to total deposits

The industry's liquid funds-to-total deposits ratio grew from 88% in 2024 to 93% in 2025—the highest level recorded over the past five years—and continued the sector's upward trend since 2022, which has seen an average annual increase of approximately 5.3%. This sustained growth reflects the banking industry's continued focus on liquidity preservation and balance sheet resilience. The improved liquidity was primarily driven by a 58% increase in short-term government securities and a 12% growth in cash and cash equivalents. These increases strengthened the banks' liquidity buffers and enhanced their capacity to meet short-term obligations.

The majority of banks reported an improvement in their liquid funds-to-total deposit ratios, averaging a 4 percentage point increase across the industry. Although total deposits increased by 25%, no clear preference emerged among deposit types, as all categories experienced significant growth.

The banking sector's liquidity is expected to remain robust, supported by recent regulatory developments. The Bank of Ghana's replacement of the dynamic Cash Reserve Ratio (CRR) framework with a uniform 20% CRR, effective 4 June 2026, is set to strengthen liquidity buffers by requiring higher reserve balances. Additionally, the Bank's intensified focus on reducing non-performing loans is likely to encourage prudent lending and credit risk management, thereby moderating credit growth. Together, these measures are expected to encourage banks to hold a larger share of assets in cash and highly liquid securities, notably treasury bills.

	2025	R	2024	R	2023	R	2022	R	2021	R	2020	R
ADB	1.15	1	0.00	-	0.00	-	0.63	21	0.77	15	0.79	14
FBL	1.13	2	1.01	3	1.02	2	0.95	4	1.27	2	0.98	8
UBA	1.08	3	1.10	1	1.00	4	0.89	7	0.92	11	0.93	11
SCB	1.06	4	0.95	6	1.00	3	0.90	6	0.99	10	0.95	9
NIB	1.05	5	0.00	-	0.00	-	0.00	-	0.00	-	0.59	22
FBN	1.04	6	1.06	2	1.05	1	1.31	1	1.00	9	0.98	7
SBG	1.03	7	0.95	7	0.89	10	0.71	15	0.68	20	0.74	18
CBG	1.01	8	1.00	4	0.96	7	0.75	12	1.09	7	1.04	4
FNB	1.01	9	0.90	11	0.98	6	0.90	5	1.14	4	1.16	1
RBL	1.01	10	1.00	5	0.71	18	0.69	17	0.71	19	0.70	20
UMB	0.99	11	0.00	-	0.00	-	0.67	18	0.00	-	0.54	23
BOA	0.98	12	0.89	13	0.90	9	1.04	2	1.40	1	0.95	10
CAL	0.98	13	0.79	16	0.72	17	0.70	16	1.10	6	1.07	3
ABSA	0.97	14	0.90	10	0.81	13	0.82	9	1.16	3	1.02	6
OBL	0.95	15	0.91	9	0.95	8	0.82	10	0.92	12	0.73	19
GTB	0.90	16	0.92	8	0.98	5	0.75	14	0.76	16	0.90	12
EBG	0.87	17	0.82	15	0.74	16	0.64	20	0.73	18	0.74	17
ZBL	0.83	18	0.89	12	0.87	12	0.81	11	1.07	8	1.12	2
GCB	0.81	19	0.83	14	0.81	14	0.75	13	0.90	14	0.87	13
ABG	0.78	20	0.76	18	0.88	11	0.97	3	1.10	5	1.02	5
SG-GH	0.72	21	0.70	19	0.77	15	0.66	19	0.76	17	0.62	21
FABL	0.68	22	0.62	20	0.58	20	0.58	22	0.62	21	0.77	16
PBL	0.00	-	0.77	17	0.66	19	0.88	8	0.90	13	0.79	15
Industry	0.93		0.88		0.85		0.77		0.93		0.88	

Liquid Funds to Interest-Bearing Liabilities

The industry's liquid funds-to-interest-bearing liabilities ratio increased marginally from 82% in 2024 to 86% in 2025. This increase was driven by a 33% growth in liquid funds, which outpaced a 26% rise in interest-bearing liabilities during the period. Performance across the sector remained mixed: of the 22 universal banks analysed, 14 recorded ratios above the industry average of 86%, while the others fell below. This improvement reflects a strengthened liquidity position and a greater ability to meet interest-bearing obligations as they fall due. Consequently, the sector remains well-positioned to support its operational and financing needs while reinforcing overall financial stability and resilience.

	2025	R	2024	R	2023	R	2022	R	2021	R	2020	R
FBN	1.04	1	1.05	1	1.04	1	1.29	1	0.99	2	0.96	3
SBG	1.03	2	0.95	3	0.88	7	0.71	12	0.68	19	0.73	14
SCB	1.03	3	0.92	5	0.95	4	0.87	4	0.93	5	0.91	6
NIB	1.01	4	0.00	-	0.00	-	0.00	-	0.00	-	0.57	21
ADB	1.01	5	0.00	-	0.00	-	0.56	21	0.70	17	0.71	17
UBA	0.98	6	0.99	2	0.99	2	0.89	2	0.92	6	0.93	4
OBL	0.95	7	0.90	8	0.93	5	0.80	5	0.87	8	0.69	18
FNB	0.94	8	0.66	18	0.75	14	0.68	13	0.81	11	0.81	10
CBG	0.94	9	0.91	7	0.90	6	0.71	10	0.98	3	1.01	2
FBL	0.92	10	0.92	4	0.84	10	0.73	9	0.88	7	0.80	11
GTB	0.90	11	0.92	6	0.97	3	0.74	8	0.75	14	0.88	7
BOA	0.89	12	0.81	10	0.88	8	0.75	7	0.87	9	0.82	8
CAL	0.88	13	0.68	17	0.61	19	0.56	20	0.80	12	0.71	16
EBG	0.86	14	0.81	11	0.74	15	0.64	16	0.73	15	0.74	13
ABSA	0.80	15	0.77	12	0.78	12	0.68	14	0.76	13	0.73	15
RBL	0.80	16	0.77	13	0.70	16	0.68	15	0.68	18	0.67	19
UMB	0.79	17	0.00	-	0.00	-	0.55	22	0.00	-	0.47	23
ZBL	0.75	18	0.83	9	0.85	9	0.80	6	1.03	1	1.05	1
GCB	0.74	19	0.77	14	0.77	13	0.71	11	0.84	10	0.81	9
ABG	0.74	20	0.71	15	0.79	11	0.87	3	0.95	4	0.92	5
FABL	0.68	21	0.62	20	0.58	20	0.58	18	0.62	21	0.77	12
SG-GH	0.68	22	0.65	19	0.66	17	0.57	19	0.65	20	0.56	22
PBL	0.00	-	0.69	16	0.61	18	0.63	17	0.73	16	0.60	20
Industry	0.86		0.82		0.80		0.70		0.82		0.79	



Liquid funds to total assets

The liquid funds-to-total assets ratio has consistently improved over the past four years, reflecting the sector's ongoing emphasis on maintaining strong liquidity buffers. The ratio increased modestly from 69% in 2024 to 71% in 2025.

While most banks funded their liquidity primarily through customer deposits, NIB and ADB's improved liquidity also stemmed from capital injections provided by the Government of Ghana in 2025. These injections aimed to strengthen their financial positions, enhance depositor confidence, and support operational capacity.

Looking ahead, the industry's liquid funds-to-total assets ratio is expected to improve further as banks continue to focus on short-term, highly liquid investments amid ongoing challenges and regulatory pressures within the credit landscape.

	2025	R	2024	R	2023	R	2022	R	2021	R	2020	R
OBL	0.89	1	0.82	3	0.84	1	0.69	6	0.70	7	0.63	11
NIB	0.87	2	0.00	-	0.00	-	0.00	-	0.00	-	0.65	10
ADB	0.85	3	0.00	-	0.00	-	0.50	20	0.58	16	0.59	15
CBG	0.82	4	0.78	5	0.76	5	0.71	4	0.84	1	0.87	1
SCB	0.81	5	0.76	6	0.79	3	0.72	3	0.75	5	0.69	4
UBA	0.80	6	0.82	2	0.80	2	0.69	7	0.71	6	0.68	7
FBN	0.77	7	0.85	1	0.75	6	0.76	1	0.65	11	0.66	8
GTB	0.77	8	0.76	7	0.79	4	0.59	11	0.56	17	0.66	9
FBL	0.77	9	0.81	4	0.75	7	0.68	8	0.78	2	0.69	5
CAL	0.75	10	0.66	13	0.55	18	0.51	18	0.69	8	0.60	14
UMB	0.74	11	0.00	-	0.00	-	0.50	19	0.00	-	0.38	23
SBG	0.73	12	0.71	9	0.70	9	0.58	12	0.55	18	0.59	17
RBL	0.69	13	0.64	15	0.60	16	0.56	15	0.54	19	0.53	20
FNB	0.67	14	0.57	18	0.65	12	0.57	14	0.61	12	0.59	16
EBG	0.66	15	0.69	10	0.63	14	0.55	16	0.60	14	0.60	13
ZBL	0.65	16	0.73	8	0.74	8	0.70	5	0.77	3	0.81	2
BOA	0.64	17	0.64	14	0.64	13	0.59	10	0.65	10	0.55	19
GCB	0.64	18	0.67	12	0.66	11	0.63	9	0.68	9	0.68	6
ABG	0.63	19	0.60	16	0.67	10	0.73	2	0.76	4	0.73	3
ABSA	0.60	20	0.60	17	0.62	15	0.54	17	0.60	13	0.56	18
FABL	0.59	21	0.54	19	0.51	19	0.49	21	0.52	20	0.62	12
SG-GH	0.43	22	0.42	20	0.44	20	0.43	22	0.47	21	0.42	22
PBL	0.00	-	0.67	11	0.58	17	0.57	13	0.59	15	0.49	21
Industry	0.71		0.69		0.67		0.60		0.66		0.64	



09

Asset quality



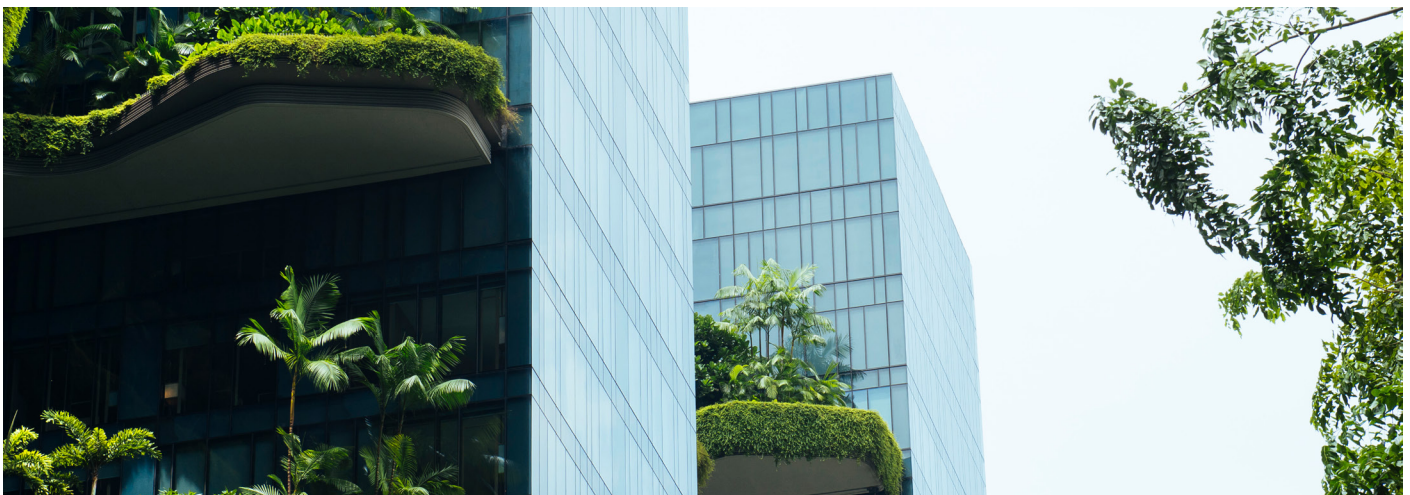
Asset quality within Ghana's banking industry came under pressure in 2025 even as the sector experienced strong balance sheet growth and improved liquidity conditions. The industry operated in an environment characterised by continued credit expansion and growing investments in Government of Ghana and Bank of Ghana securities, which contributed to overall growth in total assets. Despite the gains made by the sector, challenges within loan portfolios persisted with the non-performing loans (NPL) ratio increasing from 18% in 2024 to 25% in 2025.

The increase in NPL was primarily driven by a 68% growth in impaired loans to GHS26.0bn relative to a 24% increase in gross loans and advances. The construction sector continues to be a key contributor to NPLs due to liquidity constraints faced by borrowers in servicing their loans.

In response to the high NPL levels, the Bank of Ghana introduced measures aimed at improving the sector towards improved NPLs. The interventions include improved governance requirements and credit risk management, as well as the setting of a 10% prudential NPL limit. Breaching this limit results in restrictions on dividends, bonuses and loan growth. Banks have also been directed to write off fully provisioned loans with no realistic recovery prospects and to restructure qualifying NPLs, in an effort to clean up their portfolios.

Following the Domestic Debt Exchange Program (DDEP) banks adopted a more conservative asset allocation strategy, maintaining strong preference for lower-risk and highly liquid securities. Consequently, treasury bill holdings increased by 89.7% and government bond holdings rose by 18.5%, contributing to a 29.2% expansion of total industry assets to GHS439.3bn. Throughout 2025, banks consistently allocated a high proportion of funds to investment securities amid concerns over credit quality, which has impacted the overall risk profile of the industry's assets.

Despite the increase in non-performing loans during the period, the impact on profitability remained limited due to the adequate collateralisation of the affected facilities. Going forward, the regulator's interventions are expected to strengthen credit risk management practices and support improved asset quality across the industry.



NPL Ratio

	2025	R	2024	R	2023	R	2022	R	2021	R	2020	R
UBA	0.02	1	0.13	8	0.25	17	0.10	10	0.29	20	0.44	21
FBL	0.06	2	0.11	6	0.10	8	0.06	8	0.09	10	0.10	10
FBN	0.06	3	0.16	14	0.18	12	0.25	19	0.05	6	0.08	9
GTB	0.07	4	0.02	3	0.04	5	0.02	3	0.02	2	0.01	3
ZBL	0.08	5	0.02	1	0.01	3	0.04	5	0.04	5	0.06	6
ABG	0.09	6	0.02	2	0.03	4	0.03	4	0.10	13	0.20	18
GCB	0.10	7	0.14	10	0.19	13	0.19	16	0.15	16	0.12	11
SG-GH	0.11	8	0.14	11	0.20	15	0.14	14	0.06	8	0.07	8
ABSA	0.12	9	0.12	7	0.15	9	0.12	12	0.06	7	0.04	5
FNB	0.12	10	0.14	9	0.78	22	0.07	9	0.03	4	0.01	2
OBL	0.13	11	0.25	16	0.41	18	0.00	1	0.34	21	0.73	22
BOA	0.14	12	0.15	12	0.19	14	0.13	13	0.09	12	0.16	14
SBG	0.14	13	0.09	5	0.06	6	0.04	6	0.03	3	0.03	4
RBL	0.14	14	0.16	13	0.16	10	0.20	17	0.15	15	0.19	17
CAL	0.17	15	0.72	20	0.54	20	0.16	15	0.14	14	0.16	15
FABL	0.18	16	0.45	17	0.18	11	0.12	11	0.09	11	0.14	12
CBG	0.21	17	0.05	4	0.09	7	0.01	2	0.00	1	0.00	1
UMB	0.47	18	0.00	1	0.00	1	0.39	21	0.00	-	0.37	20
ADB	0.62	19	0.00	1	0.00	1	0.21	18	0.25	19	0.29	19
NIB	0.70	20	0.00	-	0.75	-	0.00	-	0.00	-	0.84	23
SCB	0.72	21	0.48	18	0.52	19	0.45	22	0.16	17	0.15	13
EBG	0.74	22	0.21	15	0.20	16	0.05	7	0.07	9	0.07	7
PBL	0.00	-	0.72	19	0.63	NA	0.28	20	0.22	18	0.16	16
Industry	0.25		0.18		0.22		0.13		0.10		0.15	

Impairment charge/ gross loans and advances

	2025	R	2024	R	2023	R	2022	R	2021	R	2020	R
CAL	-11.4%	1	7.8%	20	19.6%	19	8.9%	18	4.3%	17	3.2%	16
SCB	-0.7%	2	3.8%	15	-11.1%	1	20.1%	22	-1.1%	1	1.5%	8
SG-GH	-0.5%	3	1.9%	12	2.2%	11	5.5%	13	1.1%	6	1.2%	7
UBA	-0.4%	4	5.9%	19	9.0%	18	7.2%	15	8.6%	21	4.2%	18
GTB	0.0%	5	0.2%	4	1.2%	8	0.6%	2	0.2%	2	0.7%	5
FBN	0.2%	6	-0.1%	3	0.9%	6	17.3%	21	2.4%	13	2.3%	13
NIB	0.3%	7	0.0%	-	0.0%	-	0.6%	-	0.0%	NA	4.7%	21
RBL	0.6%	8	1.0%	7	0.9%	7	3.3%	9	1.0%	5	2.9%	15
ABSA	0.8%	9	3.6%	14	2.1%	10	7.5%	16	1.6%	8	2.7%	14
FNB	0.9%	10	1.5%	10	2.7%	13	5.0%	12	0.8%	3	2.2%	12
GCB	1.0%	11	3.3%	13	2.3%	12	3.9%	10	6.1%	19	5.1%	22
FBL	1.1%	12	1.0%	6	0.9%	5	8.7%	17	3.2%	14	4.4%	19
ABG	1.5%	13	1.6%	11	0.0%	3	2.7%	7	7.7%	20	1.7%	9
ZBL	2.0%	14	0.2%	5	0.7%	4	0.9%	4	2.3%	11	0.5%	4
SBG	2.1%	15	5.1%	18	5.1%	16	5.6%	14	0.9%	4	1.2%	6
EBG	2.2%	16	4.7%	16	5.7%	17	0.6%	3	4.2%	16	3.6%	17
OBL	3.3%	17	-2.9%	1	4.5%	14	-0.2%	1	4.6%	18	-5.4%	1
FABL	3.9%	18	1.1%	8	1.5%	9	3.2%	8	1.5%	7	-2.6%	2
BOA	5.3%	19	1.5%	9	4.6%	15	2.0%	6	1.6%	10	4.5%	20
ADB	5.9%	20	0.0%	-	0.0%	-	1.3%	5	2.3%	12	0.4%	3
CBG	14.4%	21	-0.2%	2	-1.0%	2	12.6%	20	1.6%	9	2.0%	10
UMB	19.0%	22	0.0%	-	0.0%	-	10.7%	19	0.0%	NA	2.1%	11
PBL	0.0%	-	5.0%	17	38.9%	20	4.5%	11	3.7%	15	6.3%	23
Industry	1.9%		3.1%		4.4%		5.3%		2.8%		2.7%	

Impairment allowance/ gross loans and advances

	2025	R	2024	R	2023	R	2022	R	2021	R	2020	R
GTB	0.9%	1	1.1%	2	2.2%	1	0.9%	1	0.5%	1	0.4%	1
ZBL	2.8%	2	1.8%	3	3.8%	2	4.6%	5	4.6%	10	3.3%	5
ABG	3.4%	3	2.6%	4	3.8%	3	3.9%	3	14.8%	18	11.5%	18
FBN	3.7%	4	13.4%	13	14.0%	13	15.8%	19	2.0%	2	3.8%	7
FBL	4.3%	5	6.8%	8	5.1%	4	6.5%	8	4.9%	11	2.4%	2
UBA	4.7%	6	15.4%	16	16.0%	17	10.0%	12	9.0%	16	23.7%	21
OBL	4.8%	7	3.8%	5	15.6%	16	13.1%	14	21.2%	21	27.6%	22
FABL	6.1%	8	6.8%	9	6.6%	6	6.1%	6	4.4%	9	4.8%	10
RBL	6.3%	9	6.4%	7	7.9%	8	8.7%	11	7.6%	13	9.7%	15
ABSA	7.8%	10	9.9%	10	8.6%	9	10.7%	13	4.3%	8	4.4%	9
GCB	9.8%	11	13.1%	12	17.6%	18	17.8%	20	15.3%	19	14.9%	19
UMB	10.1%	12	0.0%	-	0.0%	-	19.9%	22	0.0%	1	9.1%	13
BOA	10.4%	13	4.7%	6	5.2%	5	3.1%	2	2.7%	3	3.8%	6
SG-GH	12.3%	14	14.2%	14	14.5%	15	14.6%	17	10.7%	17	9.3%	14
FNB	12.6%	15	12.3%	11	11.2%	11	7.7%	9	3.2%	4	2.6%	4
EBG	13.1%	16	14.5%	15	10.1%	10	6.2%	7	8.5%	14	6.2%	11
CAL	17.0%	17	39.4%	20	28.5%	19	14.7%	18	8.7%	15	9.1%	12
SCB	19.9%	18	19.6%	18	7.7%	7	18.5%	21	7.4%	12	9.8%	16
SBG	22.1%	19	16.4%	17	11.5%	12	8.4%	10	3.8%	7	4.2%	8
CBG	28.9%	20	22.3%	19	14.2%	14	14.4%	16	3.2%	5	2.5%	3
ADB	48.3%	21	0.0%	-	0.0%	-	13.6%	15	16.9%	20	17.5%	20
NIB	51.6%	22	0.0%	-	0.0%	-	0.0%	1	0.0%	1	59.0%	23
PBL	0.0%	1	-5.0%	1	33.3%	20	4.5%	4	3.7%	6	10.3%	17
Industry	12.4%		12.4%		12.2%		10.5%		7.8%		9.9%	

Loan portfolio profitability

	2025	R	2024	R	2023	R	2022	R	2021	R	2020	R
FBN	56.0%	1	21.3%	5	20.8%	6	48.1%	1	13.3%	7	7.4%	22
CAL	33.6%	2	6.1%	20	-6.9%	19	25.3%	7	10.6%	16	16.3%	6
GTB	25.8%	3	20.1%	9	20.8%	7	18.6%	18	14.7%	4	10.8%	16
SCB	22.5%	4	20.9%	7	36.3%	1	44.7%	2	16.7%	1	20.3%	3
SG-GH	21.3%	5	18.5%	11	17.4%	16	24.3%	9	14.7%	3	16.5%	5
ABSA	19.6%	6	20.3%	8	19.7%	11	28.9%	5	15.0%	2	15.3%	9
UBA	16.7%	7	21.1%	6	21.7%	4	23.8%	11	2.3%	21	6.0%	23
ADB	16.4%	8	0.0%	-	0.0%	-	16.8%	21	12.4%	10	16.2%	7
ABG	16.3%	9	30.0%	1	19.4%	12	18.4%	19	2.7%	20	9.8%	19
EBG	16.1%	10	18.4%	12	17.8%	14	17.0%	20	8.9%	18	15.8%	8
FBL	15.9%	11	26.1%	3	21.0%	5	27.8%	6	10.9%	15	9.0%	20
OBL	15.7%	12	22.1%	4	19.4%	13	13.4%	22	3.7%	19	23.8%	1
FNB	15.0%	13	18.2%	13	16.4%	17	24.2%	10	13.3%	6	7.7%	21
FABL	14.8%	14	17.5%	14	20.0%	9	20.9%	15	14.1%	5	19.5%	4
SBG	14.5%	15	13.0%	19	19.9%	10	25.2%	8	11.5%	13	13.2%	11
GCB	14.3%	16	13.1%	18	16.3%	18	22.9%	12	9.2%	17	12.8%	13
RBL	14.0%	17	17.5%	15	17.6%	15	21.2%	14	11.9%	11	11.7%	14
BOA	13.5%	18	14.3%	17	21.7%	3	19.2%	17	12.7%	9	12.9%	12
ZBL	11.9%	19	18.8%	10	20.3%	8	20.1%	16	11.4%	14	11.3%	15
NIB	9.6%	20	0.0%	-	0.0%	-	0.0%	21	0.0%	NA	21.2%	2
CBG	6.9%	21	26.8%	2	26.9%	2	32.2%	4	13.3%	8	9.9%	18
UMB	-5.2%	22	0.0%	-	0.0%	-	35.3%	3	0.0%	NA	13.5%	10
PBL	0.0%	-	16.4%	16	-36.0%	20	22.0%	13	11.6%	12	10.0%	17
Industry	16.4%		18.1%		17.5%		23.9%		11.5%		13.7%	

Abbreviations

Term	Definition
ABG	Access Bank (Ghana) Plc
ABSA	Absa Bank Ghana Limited
ADB	Agricultural Development Bank Limited
BOA	Bank of Africa Ghana Limited
CAL	CalBank PLC
CBG	Consolidated Bank Ghana Limited
EBG	Ecobank Ghana Limited
FABL	First Atlantic Bank Limited
FBL	Fidelity Bank Ghana Limited
FBN	FBNBank (Ghana) Limited
FNB	First National Bank (Ghana) Limited
GCB	Ghana Commercial Bank
GTB	Guaranty Trust Bank (Ghana) Limited
NIB	National Investment Bank Limited
OBL	OmniBSIC Bank Ghana Limited
PBL	Prudential Bank Limited
RBL	Republic Bank (Ghana) PLC
SBG	Stanbic Bank Ghana Limited
SCB	Standard Chartered Bank (Ghana) Limited
SG	Société General (Ghana) Limited
UBA	United Bank for Africa (Ghana) Limited
UMB	Universal Merchant Bank Limited
ZBL	Zenith Bank (Ghana) Limited



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